

Results Presentation

21 May 2021



Proviso

- Please note that matters discussed in today's presentation may contain forward looking statements which are subject to various risks and uncertainties and other factors including, but not limited to:
 - changes in the political and/or economic environment that would materially affect the Investec group
 - changes in the economic environment caused by COVID-19, the resulting lockdowns and government programmes aimed to stimulate the economy
 - changes in legislation or regulation impacting the Investec group's operations or its accounting policies
 - changes in business conditions that will have a significant impact on the Investec group's operations
 - changes in exchange rates and/or tax rates from the prevailing rates at 31 March 2021
 - changes in the structure of the markets, client demand or the competitive environment
- A number of these factors are beyond the Investec group's control
- These factors may cause the Investec group's actual future results, performance or achievements in markets in which it operates to differ from those expressed or implied
- Any forward looking statements made are based on knowledge of the group at 20 May 2021
- Unless otherwise stated, all information in this presentation has been prepared on a statutory basis and relates to continuing operations

Agenda

01

Overview – Fani Titi, Chief Executive

02

Financial Review – Nishlan Samujh,
Group Finance Director

03

Strategy execution update – Fani Titi

04

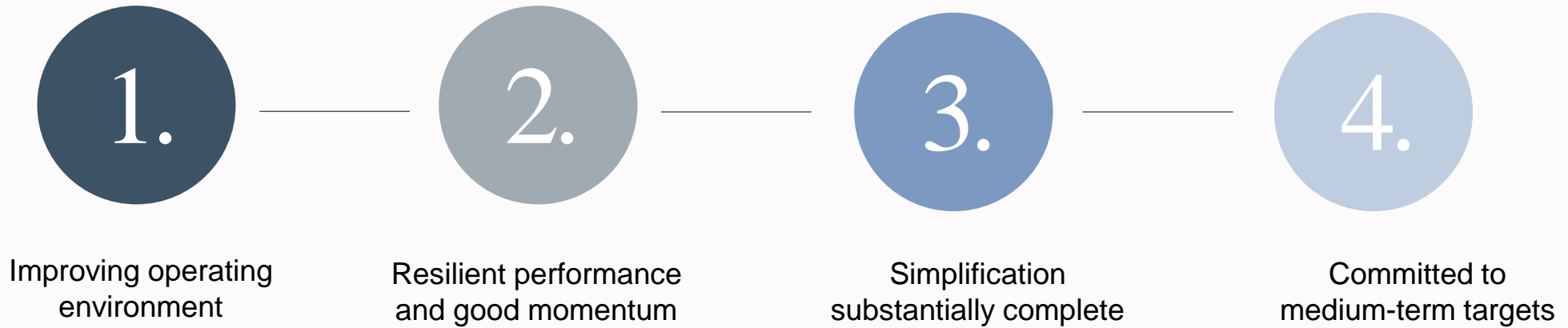
Closing and Q&A – Fani Titi

“Nature uses disorder to grow stronger. It’s like going to the gym. You get stronger because you subject your body to stressors and gain from them.”

Nassim Nicholas Taleb, “Black Swan” author

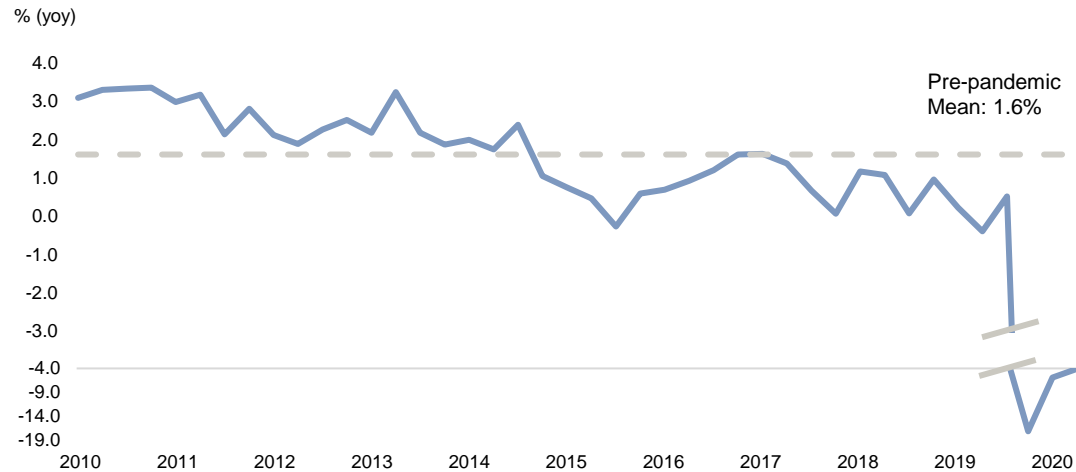
Thanking our clients for the support and colleagues
for their dedication in what has been a testing year

Overview



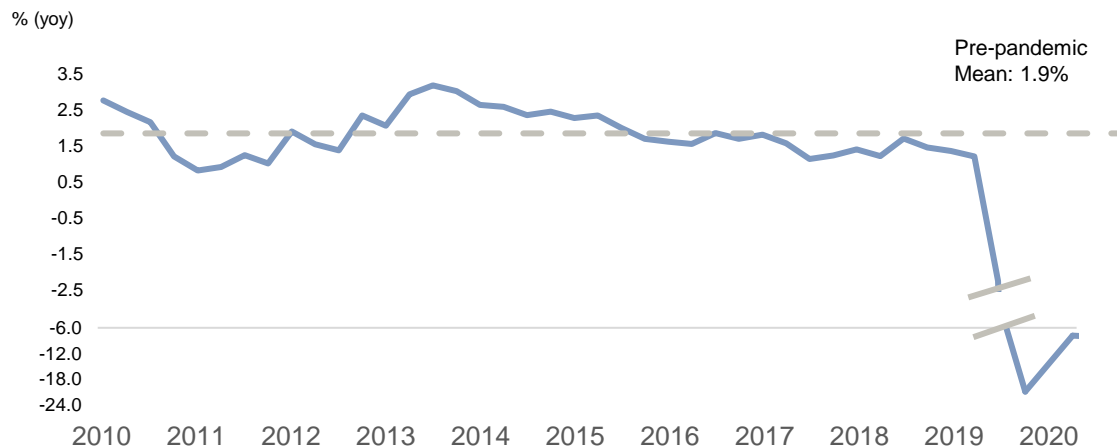
Improving macro environment, vaccine rollouts....

South Africa
GDP growth



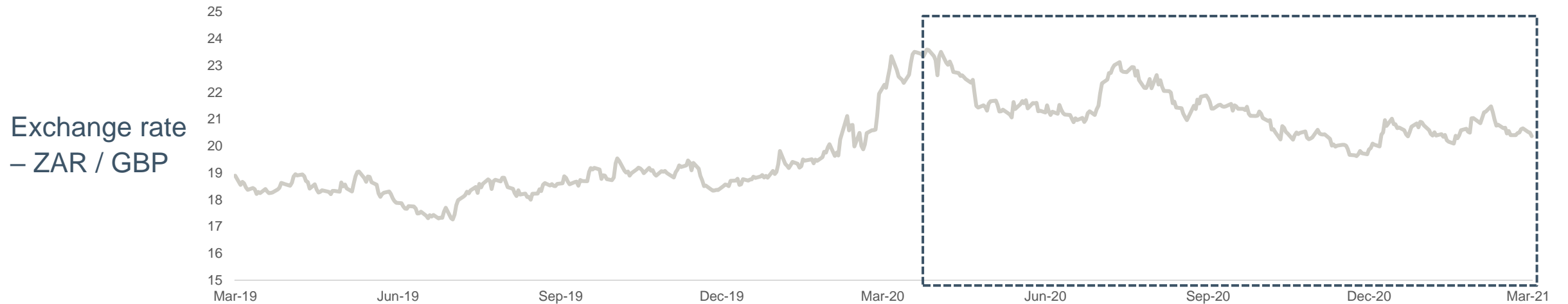
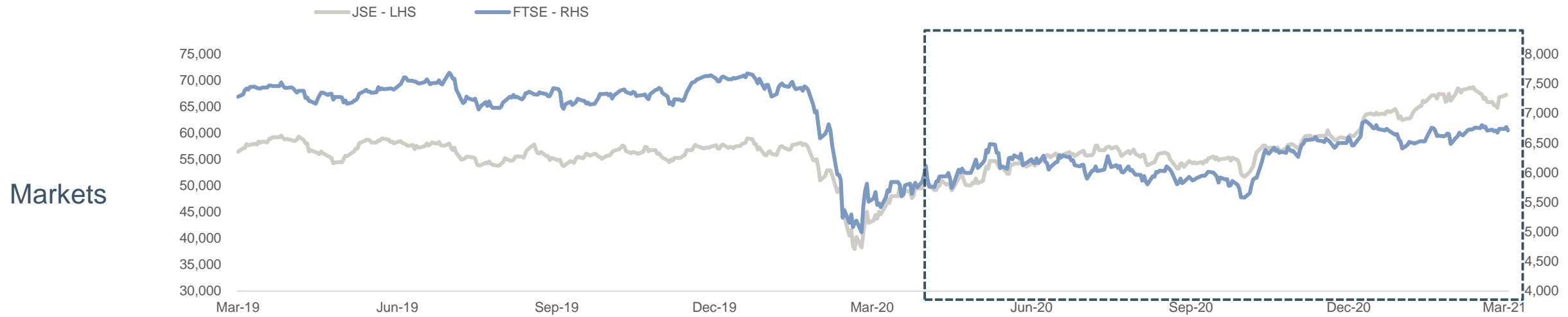
- South Africa GDP contracted by an unprecedented -7.0% y/y over 2020 due to the COVID-19 lockdown restrictions
- From Jul 2020, the economy saw a marked rebound in GDP, although not to pre-pandemic levels yet
- South Africa's economic growth is expected in the region of 3% to 4% in 2021 calendar year
- However, the economy is not expected to recover to pre-pandemic levels of output before 2024

UK
GDP growth



- During the second half of 2020, UK economic activity recovered some of the previous COVID-induced plunge; but as of Q4, output still stood 7.8% below its pre-pandemic level
- A nationwide lockdown looks to have pulled GDP moderately lower again in Q1 2021 but output is expected to rebound thereafter as social restrictions are gradually eased
- As of 31 Mar 2021, our base case assumption is 7.3% GDP growth for calendar year 2021

.... and recovering financial markets



Global interest rates barometer

USA 10-year treasury bonds
(%)



- Global interest rates reduced markedly in response to COVID-19 pandemic
- Yields began to stabilize and rise from August 2020 as economies started to recover from the pandemic's first wave in Q2
- Looking forward we expect interest rates to gradually rise further as economic recoveries become entrenched and central banks begin to slowly tighten monetary policy

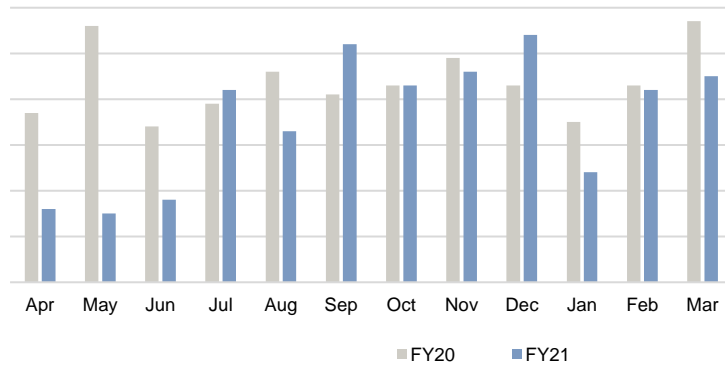
Vaccine rollout

- Good progress in developed economies
- Slow progress in developing economies, with SA vulnerable to third wave
- Risk of new or more infectious variants of COVID-19 remain

Business showed strong recovery in 2H2021

South Africa

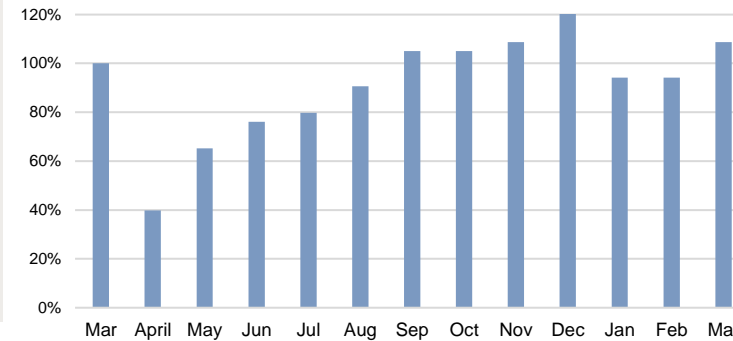
Private Banking lending turnover
Value of new deals



- Recovery seen since Jul 2020 – lending turnover 18% behind FY2020

Point of Sale (POS) Transactions

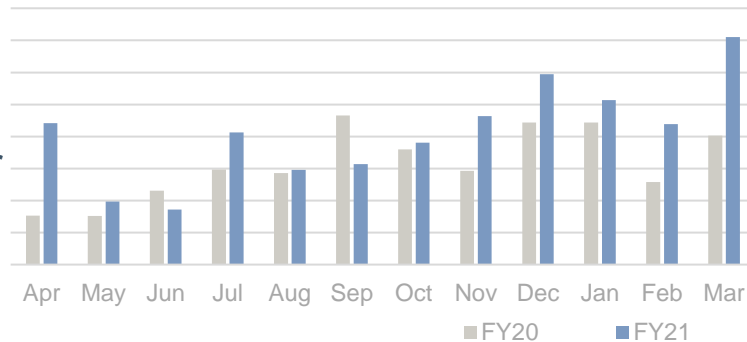
Value of card transactions relative to March 2020 levels



- Since Sep 2020, value of POS transactions has recovered to pre lockdown levels

UK & Other

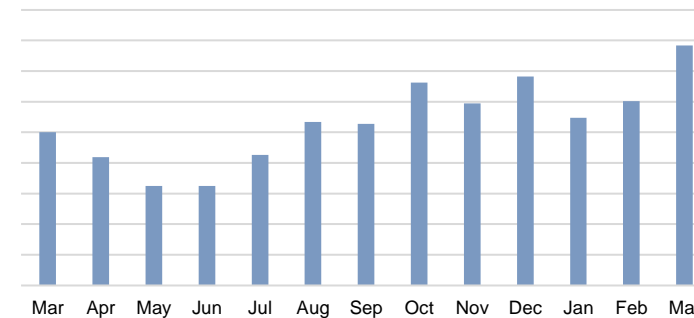
UK HNW Mortgage monthly lending turnover
Value of new deals



- HNW mortgage business saw strong origination particularly in 2H2021, where net lending growth was c. 58% above 1H2021

UK HNW Client Acquisition

Monthly net client acquisition relative to March 2020 levels



- UK HNW client acquisition showed strong growth in 2H2021, driving stronger origination

Results highlights

Adjusted operating profit

£377.6_{mn}

(MAR-20 £419.2MN)

9.9% BEHIND PRIOR PERIOD

Adjusted earnings per share

28.9_p

(MAR-20: 33.9P)

14.7% BEHIND PRIOR PERIOD

Net Asset Value per share

460.2_p

(MAR-20: 414.3P)

UP 11.1% SINCE MARCH 2020

Return on Equity (ROE)

6.6%

(MAR-20: 8.3%)

Cost to Income ratio

70.9%

(MAR-20: 68.2%)

Credit Loss ratio

35bps

(MAR-20: 52BPS)

FINAL DIVIDEND OF 7.5P, FULL YEAR DIVIDEND 13.0P, RESULTING IN 45% PAY OUT RATIO

Note: Prior year only reflects results from continuing operations

Financial highlights

● **ADJUSTED OPERATING PROFIT DECREASED 9.9% TO £377.6 million**

- Record FUM in both geographies, £58.4 billion
- Loan growth of 6.1% to £26.4 billion
- Good client acquisition in both geographies

● **THIS GOOD UNDERLYING PERFORMANCE WAS AFFECTED BY**

- Interest rate cuts
- Lower client activity levels, and
- Risk management and risk reduction costs in our structured product book in the UK

● **COST TO INCOME RATIO, 70.9% (MAR-2020: 68.2%)**

- Deterioration reflects the impact of lower revenues in the environment
- Strong cost control, with total costs down 1.8%
- Fixed costs down 6.6%

● **CREDIT LOSS RATIO, 35bps (MAR-2020: 52bps)**

- ECL impairment charges down £33.9 million to £99.4 million
- Credit loss ratio reduced to 35bps (FY2020: 52bps)
- Driven by robust credit quality and higher recoveries in South Africa

WE GO FORWARD WITH STRONG MOMENTUM

Divisional highlights

UK and Other | Wealth & Investment

- Achieved record FUM of £41.7bn
- Net inflows of £1.1bn
- Adjusted operating profit up 18.0% to £74.3mn

SA | Wealth & Investment

- Breadth and depth of product offering suitable for wealth globalisation trend
- Discretionary inflows of R7.6bn
- Adjusted operating profit up 10.6% to R554.0mn

UK & Other | Specialist Bank

- Loan book excluding Australia grew by 8.7% to £12.3bn
- Rightsizing the cost structure
- Private Banking business is performing ahead of expectations
- Adjusted operating profit down 56.4% to £44.8mn

SA | Specialist Bank

- Loan book broadly flat at R287.3bn
- Clients continue to show resilience in tough economic cycles
- Adjusted operating profit marginally down at R4 898mn

Group Investment assets have a carrying value of £847.0mn and market value of £1 002.9mn*

Geographic ROE

UK: 4.0%

SA: 9.3%

*As at 18 May 2021

Investec

Sustainability highlights

Our Purpose: Creating enduring worth, living in, not off, society | We continued to embed ESG into our business strategy

Environmental | Achieved net-zero direct emissions

- Sourced 100% of our Scope 2 emissions from renewables
- Invested £582mn in renewable and clean energy (Mar-20: £602mn)
- Launched several ESG products and services

Social | Caring for our communities

- Contributed 2.6% (Mar-20: 2.3%) of operating profit to communities including £2.0mn to COVID-19 relief
- Level 1 BBBEE contributor in South Africa
- Joined the Race at Work Charter in the UK

Governance and regulatory

- Established an ESG Executive Committee to align sustainability activities across the organisation
- Deepened the ESG skills of the Board
- Created a framework to link Executive Directors remuneration to ESG KPIs

Employees | Enhanced our efforts on BID

- Females in senior leadership at 38% (Mar-20: 37%)
- Seamless transition to WFH
- Best Company in Workplace Practice (*The SERAS CSR Awards, 2020*)

ACTIVELY PARTICIPATING IN THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Simplify, focus and grow

Strategy execution

- Refreshed executive leadership in the UK Bank and UK Wealth & Investment
- Continued cost discipline with significant reduction in the UK Bank cost base
- Actions taken to simplify business:
 - Exit from Australia
- Capital efficiency and allocation
 - Reduction in Group Investment portfolio
 - Received approval to adopt Advanced Internal Ratings Based (AIRB) approach for the SME and Corporate models from 1 April 2021
- Closure and rundown of the capital at-risk structured deposit business in the UK

Business well positioned for growth

- Simplification substantially complete
- We have a business with a strong balance sheet
- Attractive market positioning in both geographies

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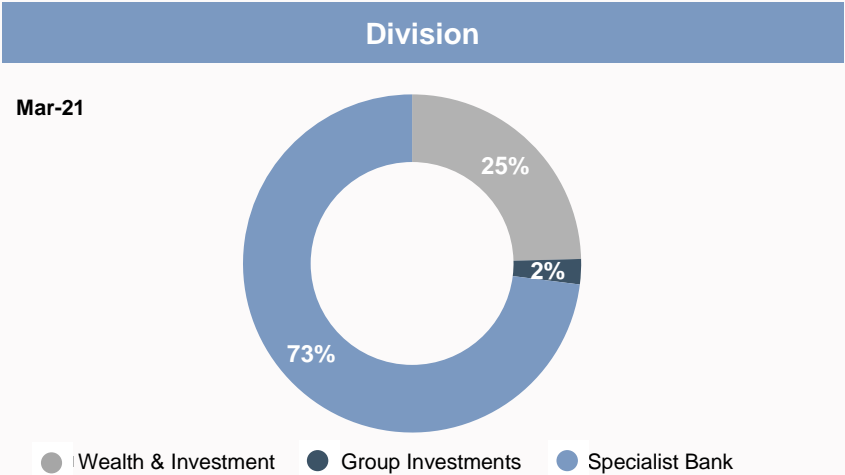
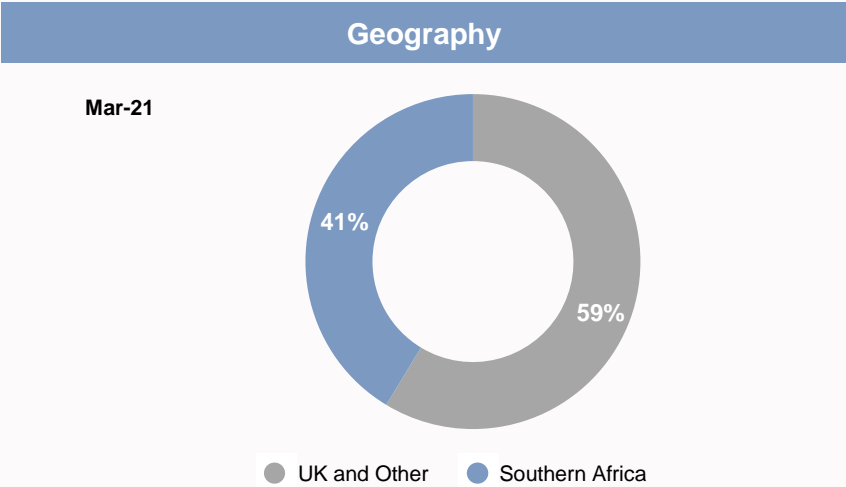
Group strategic update – Fani Titi

04

Closing and Q&A – Fani Titi

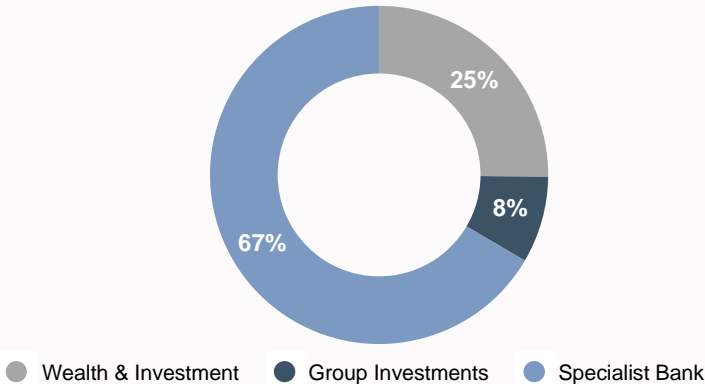
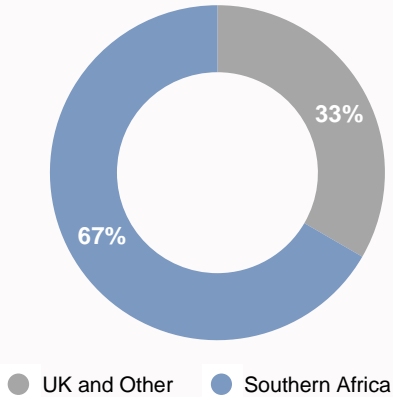
Diversified, quality revenue mix across geographies and businesses

Operating income



- Operating income down 9.2% to £1,641.1mn

Adjusted operating profit*



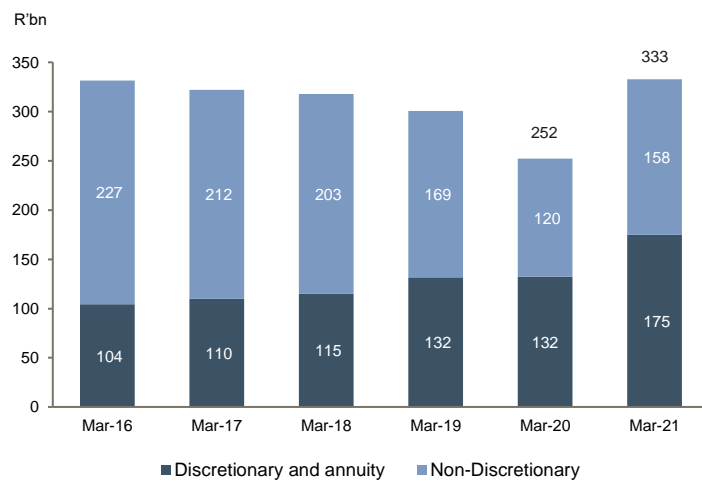
- Adjusted operating profit* down 9.9% to £377.6mn

*Adjusted operating profit by geography is Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.
Adjusted operating profit by division is Operating profit before group costs, goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

Wealth & Investment South Africa

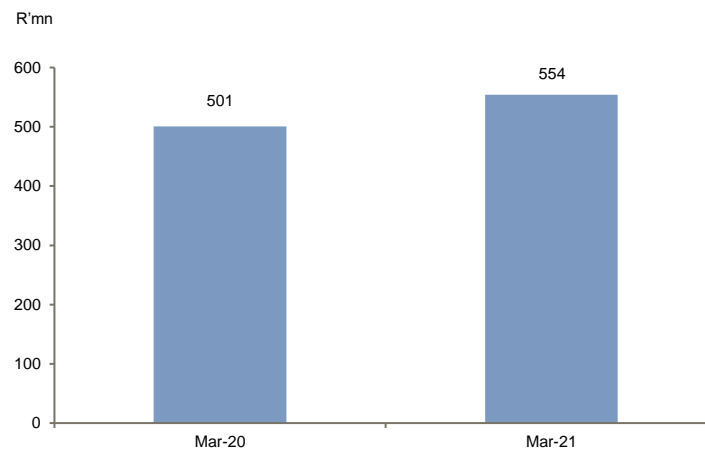
Performed well against a tough economic backdrop

Funds under management



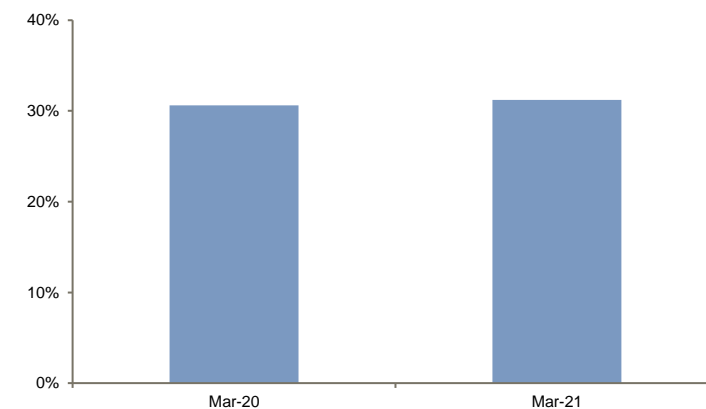
- FUM increased 32.0% to R333bn since Mar 2020
- R7.6bn discretionary inflows offset by R8.5bn non-discretionary outflows

Adjusted operating profit*



- Adjusted operating profit* up 10.6% to R554mn
- Higher trading volumes during market volatility
- Higher average annuity and discretionary FUM

Operating margin



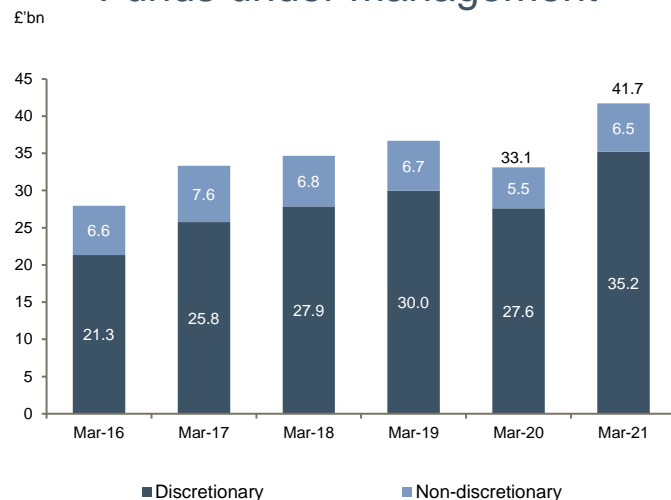
- Operating margin at 31.2% (2020: 30.6%)
- Operating income up 7.8%
- Operating costs up 6.6% - inflationary increases and higher IT spend

*Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

Wealth & Investment UK and Other

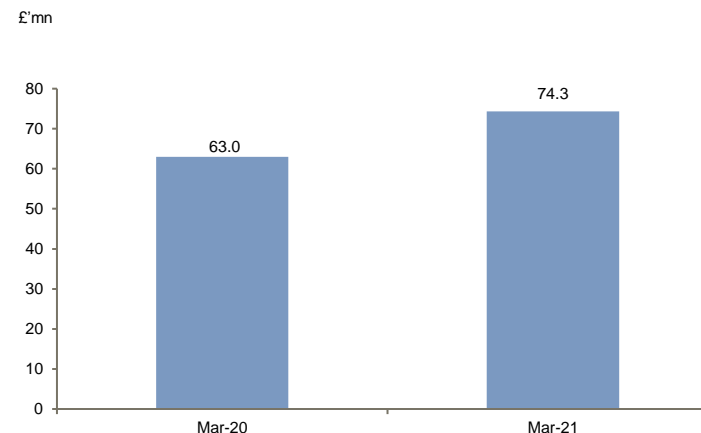
Record performance in FUM and net organic growth for FY2021

Funds under management



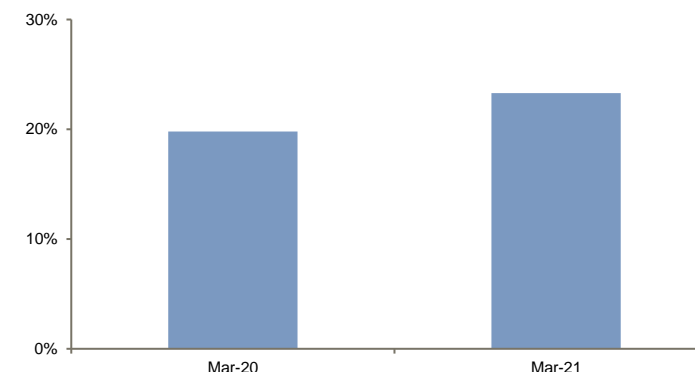
- FUM up 25.9% to a record level at £41.7bn
- Positive net organic growth in FUM of 3.3% since 31 Mar 2020, net inflows of £1.1bn
- Driven by favourable market movements and investment performance

Adjusted operating profit*



- Adjusted operating profit* increased 18.0% to £74.3mn
- UK domestic business (97.1% of FUM) adjusted operating profit was £78.5mn (FY 2020: £67.7mn)
- Favourably impacted by organic growth in FUM in the current and prior year
- Strong brokerage fee income on non-discretionary funds
- Partly offset by the impact of lower interest rates

Operating margin



- UK domestic business operating margin of 25.2% (FY 2020: 22.4%)
- Operating income broadly flat (up 0.6%)
- Operating costs reduced 3.7% - focus on cost containment

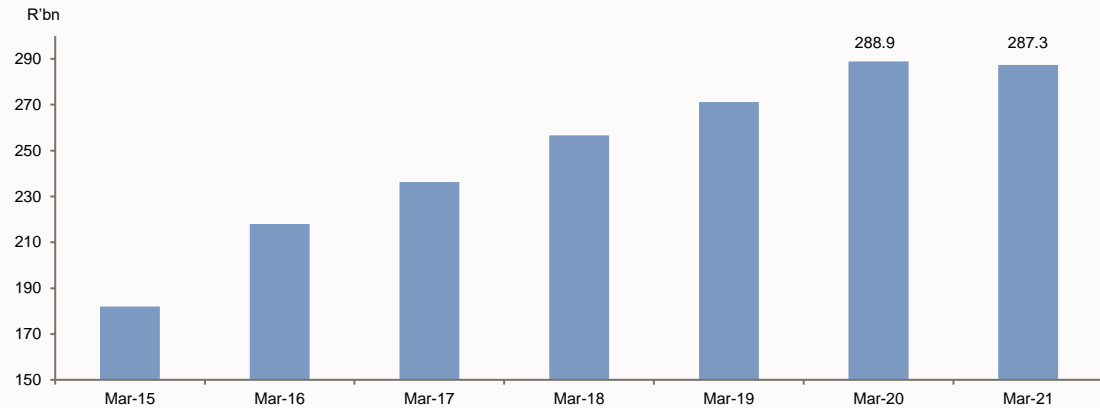
*Operating profit before goodwill, acquired intangibles and strategic actions, less profit attributable to other non-controlling interests.

Note: Funds under management (FUM) relating to the Irish Wealth & Investment business which was disposed in October 2019 have been excluded from the Funds under management graph.

Specialist Banking Southern Africa

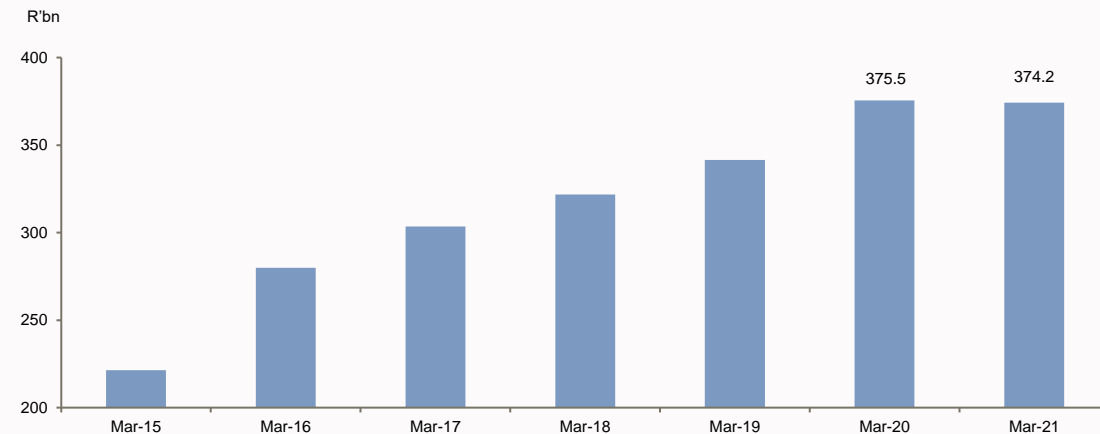
Net core loans reflecting lower activity levels in the first half, and a marked improvement in the second half

Net core loans



- Net core loans broadly flat at R287.3bn (31 March 2020: R288.9bn)
- Private Banking loan book increases by 2.2%
- Corporate lending book decreased by 7.2%

Customer accounts (deposits)

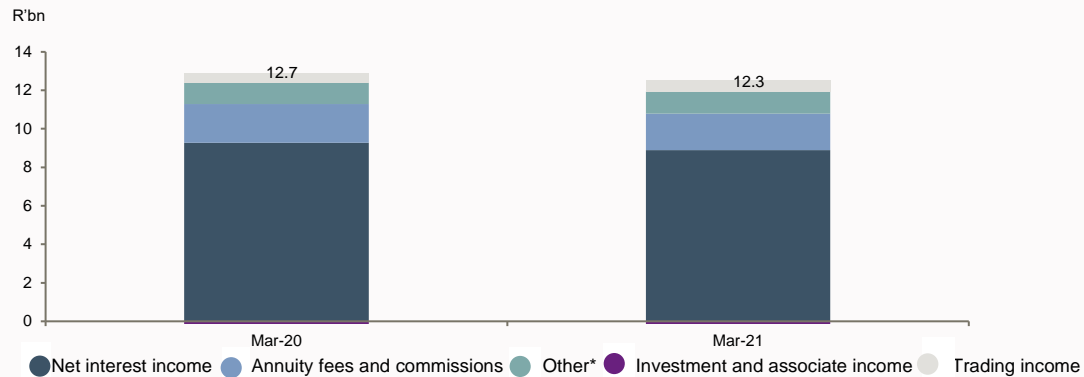


- Deposits of R374.2bn broadly flat since Mar 2020

Specialist Banking Southern Africa

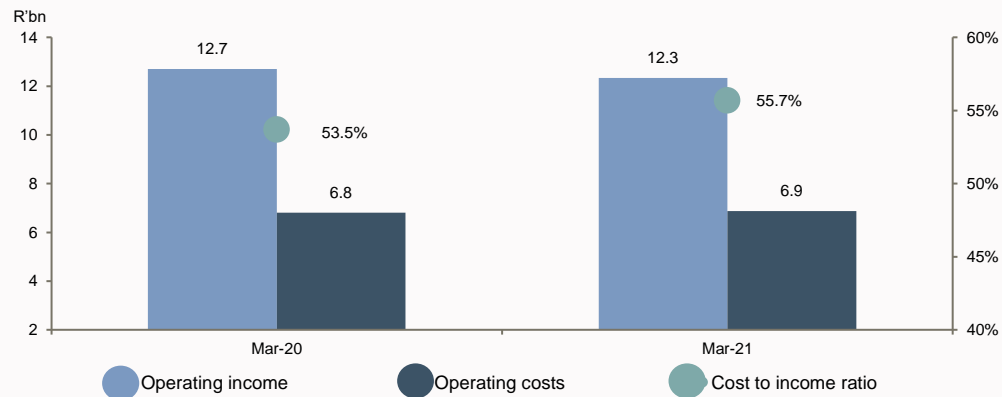
Solid performance from our client franchises particularly in the second half as the economic recovery gathered pace

Operating income



- NII decreased by 4.2% driven primarily by 300bps rate cut since Jan 2020
- Increase in trading income offset by subdued lending and transactional activity compared to FY2020
- Lower investment income given economic environment that prevailed throughout FY2021

Cost to income



- Cost to income ratio of 55.7% (2020: 53.5%)
- Operating income reduced 3.0%
- Operating costs increased 1.0%

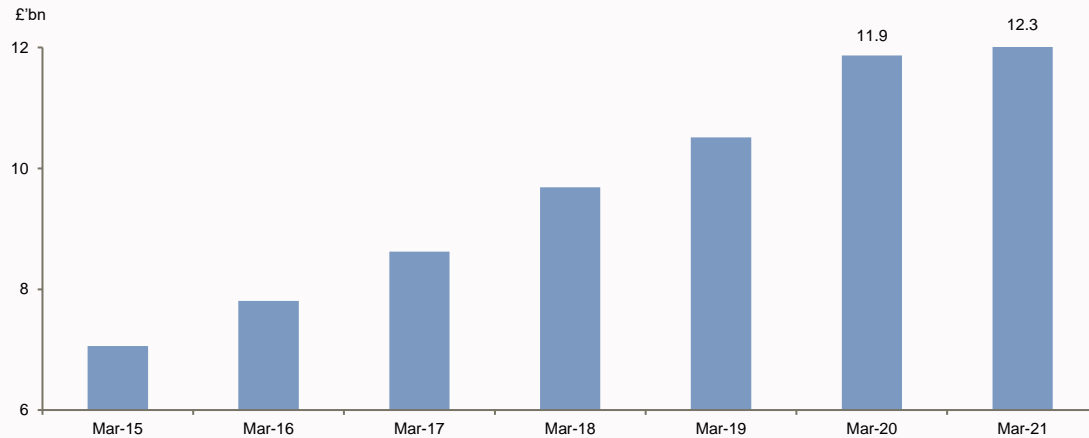
ADJUSTED OPERATING PROFIT DECREASED 1.2% TO R4 898 MILLION

*Other includes deal fees and other operating income

Specialist Banking UK and Other

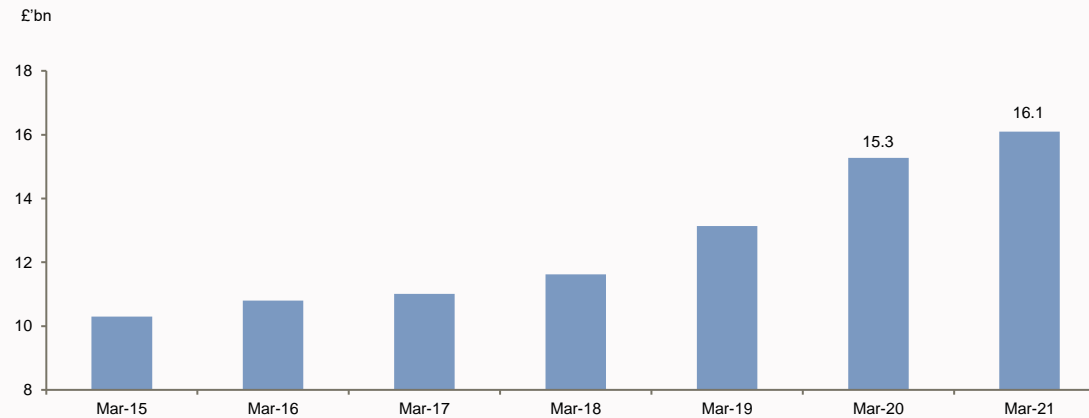
Private client business continues to build scale by leveraging infrastructure, while corporate banking business experienced a strong rebound in activity levels in 2H2021

Net core loans



- Since Mar 2020, net core loans increased by 3.9% to £12.3bn
- Net core loans (excluding Australia) increased by 8.7%
- Driven by organic growth in the mortgage book and HNW lending
- Offset by the sale and wind down of Australian business and net redemptions across the corporate book in 1H2021

Customer accounts (deposits)



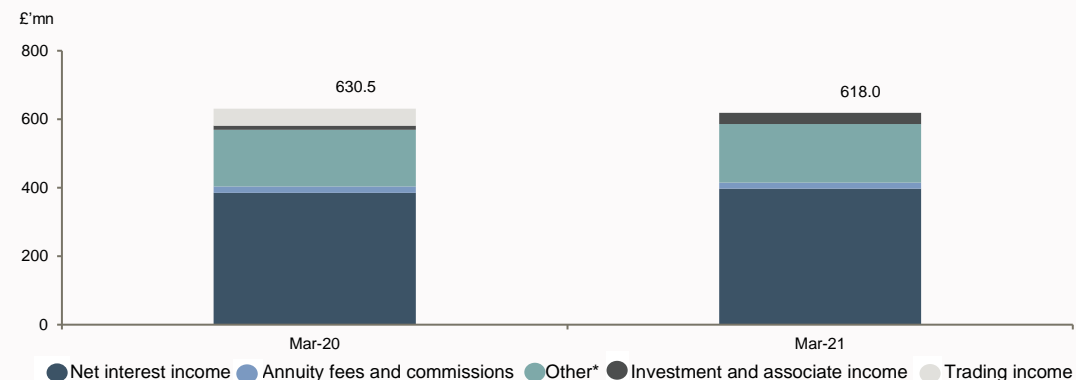
- Since Mar 2020, deposits increased by 5.2% to £16.1bn

*Other includes deal fees and other operating income

Specialist Banking UK and Other

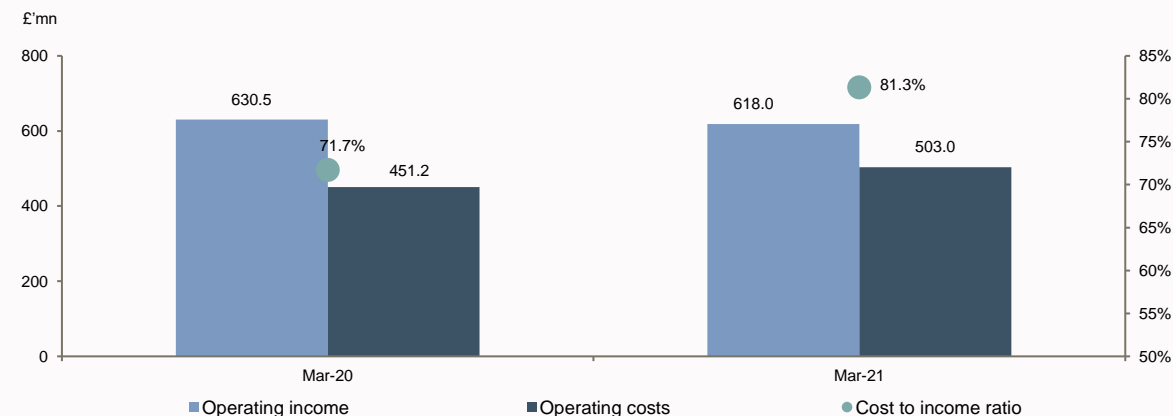
Strong underlying franchise performance and rightsized cost base

Operating income



- NII increased by 3.3%, driven by higher average interest earning assets
- Strong equity capital markets activity and higher investment income
- Costs related to our structured products book of £93m (1H2021: £53m; 2H2021: £40m)

Cost to income



- Cost to income ratio of 81.3% (2020: 71.7%)
- Operating income reduced 2.0%
- Operating costs increased 11.5%, including once-off £22m restructuring
- Fixed operating costs reduced 5.6%

ADJUSTED OPERATING PROFIT DECREASED 56.6% TO £44.8 MILLION

*Other includes deal fees and other operating income

Group Investments

Group Investments pillar consists of equity investments held outside the group's banking activities

£' million	Carrying Value	Income Yield	% holding
Ninety One	363	11.1%	25.0%
IPF	159	-1.0%	24.3%
IEP	271	1.6%	47.4%
Equity investments	54	-3.2%	
Investec Australia Property Fund	-	35.2%	
Total - Balance Sheet carrying value	847	4.0%	
Average required capital/ROE	463		
Return on equity	7.3%		
Current Market Value @18/05/21	1 003		

Reported adjusted operating profit: £34.4 million (FY2020: £16.7 million)

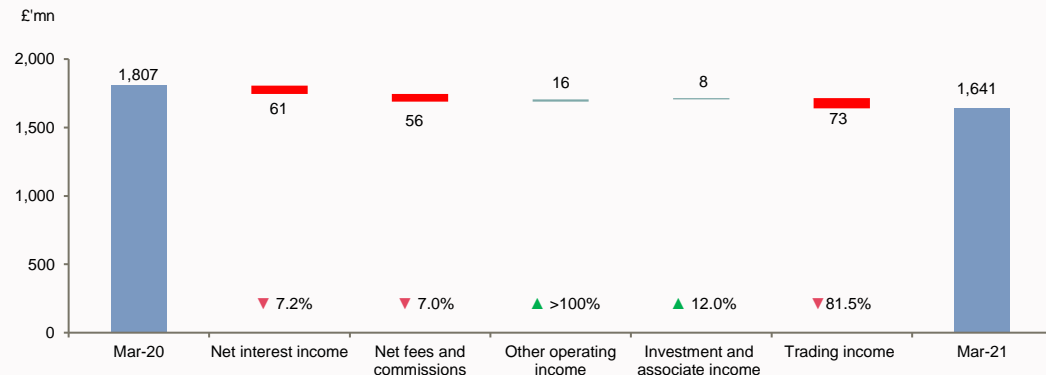
- Primarily driven by the full year equity accounting of the group's share in Ninety One compared to less than a month in FY 2020
- Other investee companies were negatively impacted by the hard lockdown implemented in South Africa during the year under review

Note: IPF is Investec Property Fund, IEP is Investec Equity Partners, Investec Australia Property Fund was disposed in the financial year under review. *Market value based on listed prices for Ninety One and IPF, carrying value for unlisted investments

Revenue analysis

Lower interest rates, transactional and lending activities due to economic lockdowns in the first half, followed by strong recovery in the second half

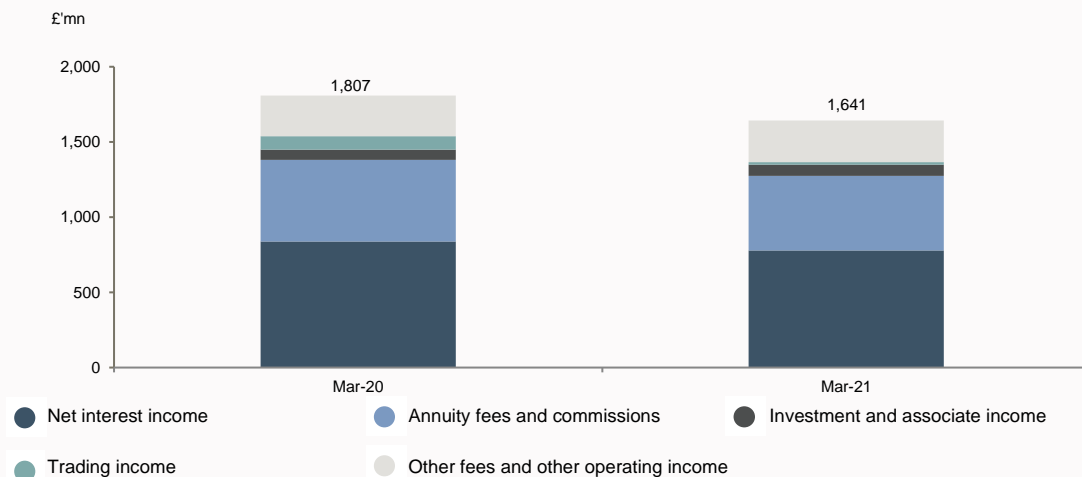
Operating income



Operating income reduced 9.2% (4.4% down in neutral currency)

- Net interest income impacted by lower interest rates
- Fee and commission income reflects lower client activity
- Trading income:
 - Higher risk management and risk reduction costs of hedging UK structured products
- Other operating income reflects FV gains on employee share scheme associated with demerger

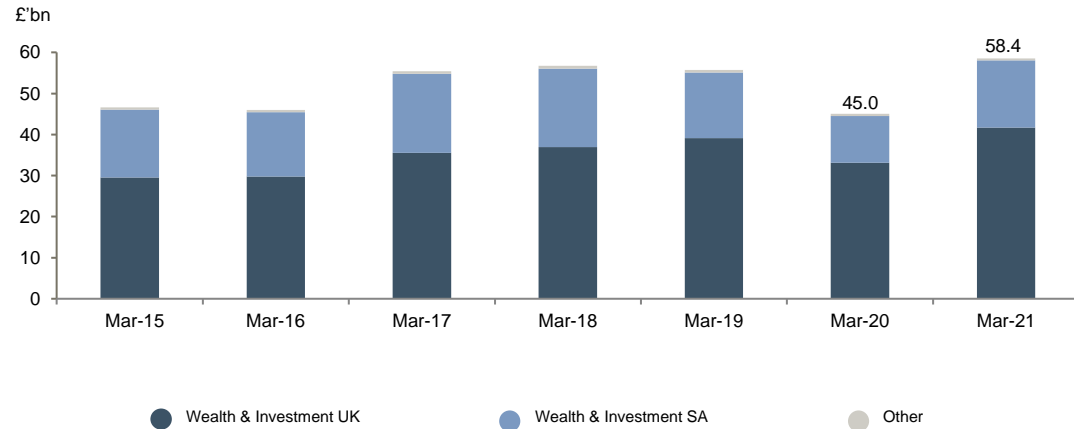
Operating income mix



- Annuity income is 77.6% for FY2021 (FY2020: 76.4%)

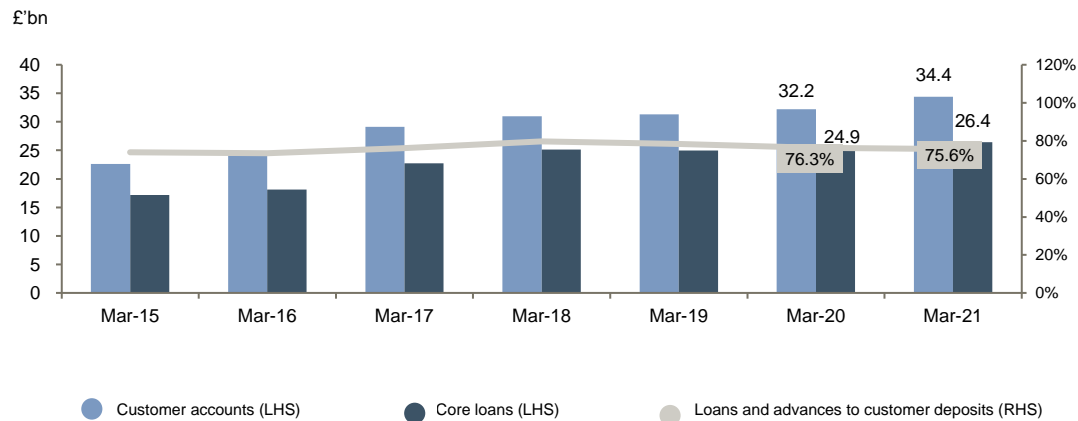
Earnings drivers

Funds under management



- FUM up 29.8% to £58.4bn (26.9% in neutral currency)
- Net inflows of £1.1bn
- Recovery in market levels since 31 March 2020

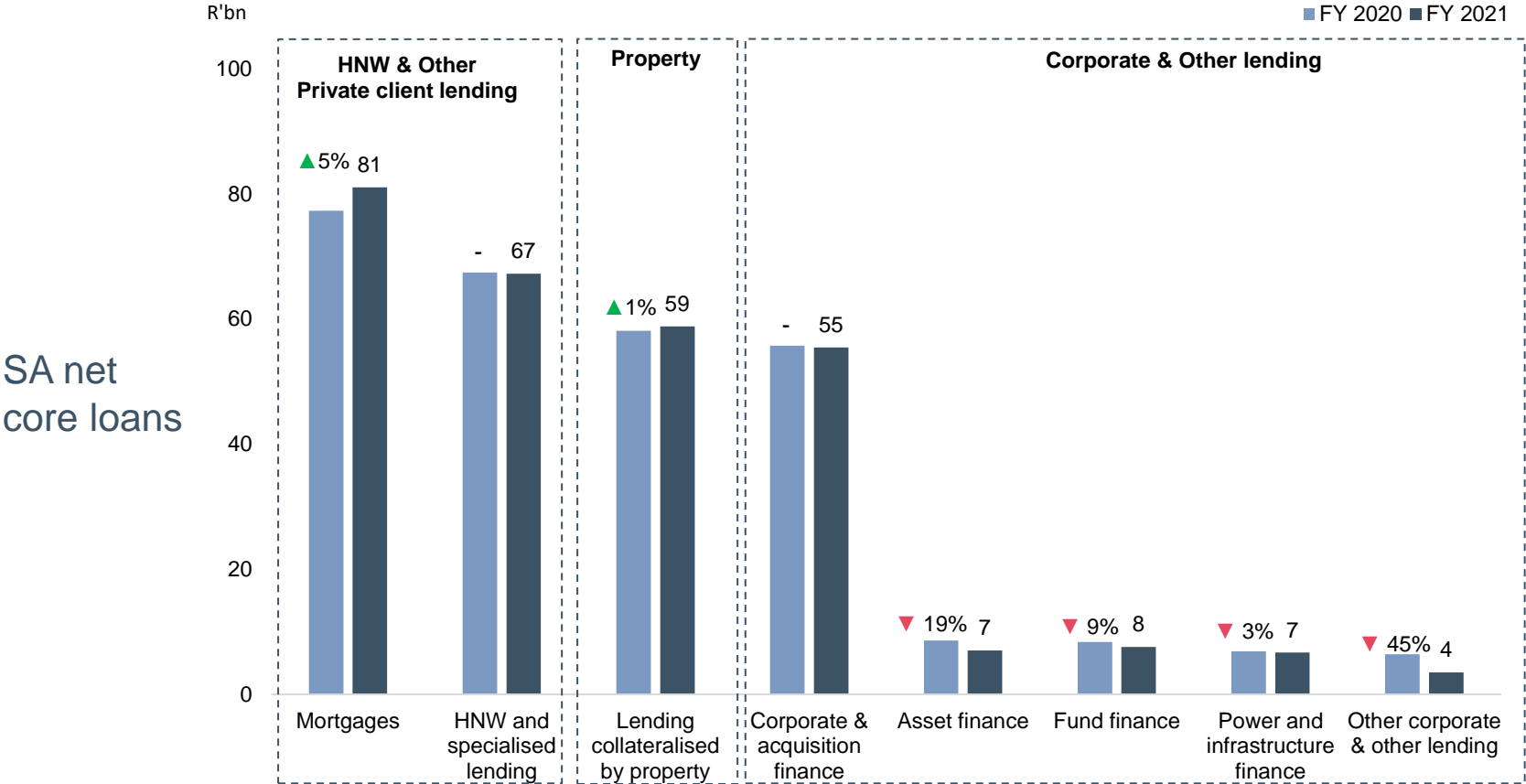
Customer accounts (deposits) and loans



- Customer accounts (deposits) up 6.9% to £34.bn (up 2.3% in neutral currency)
- Core loans up 6.1% to £26.4bn (up 1.6% in neutral currency)

SA net core loan reported growth in the second half

HNW and Other private client lending book reported growth in mortgages, driven by improved affordability given lower interest rates



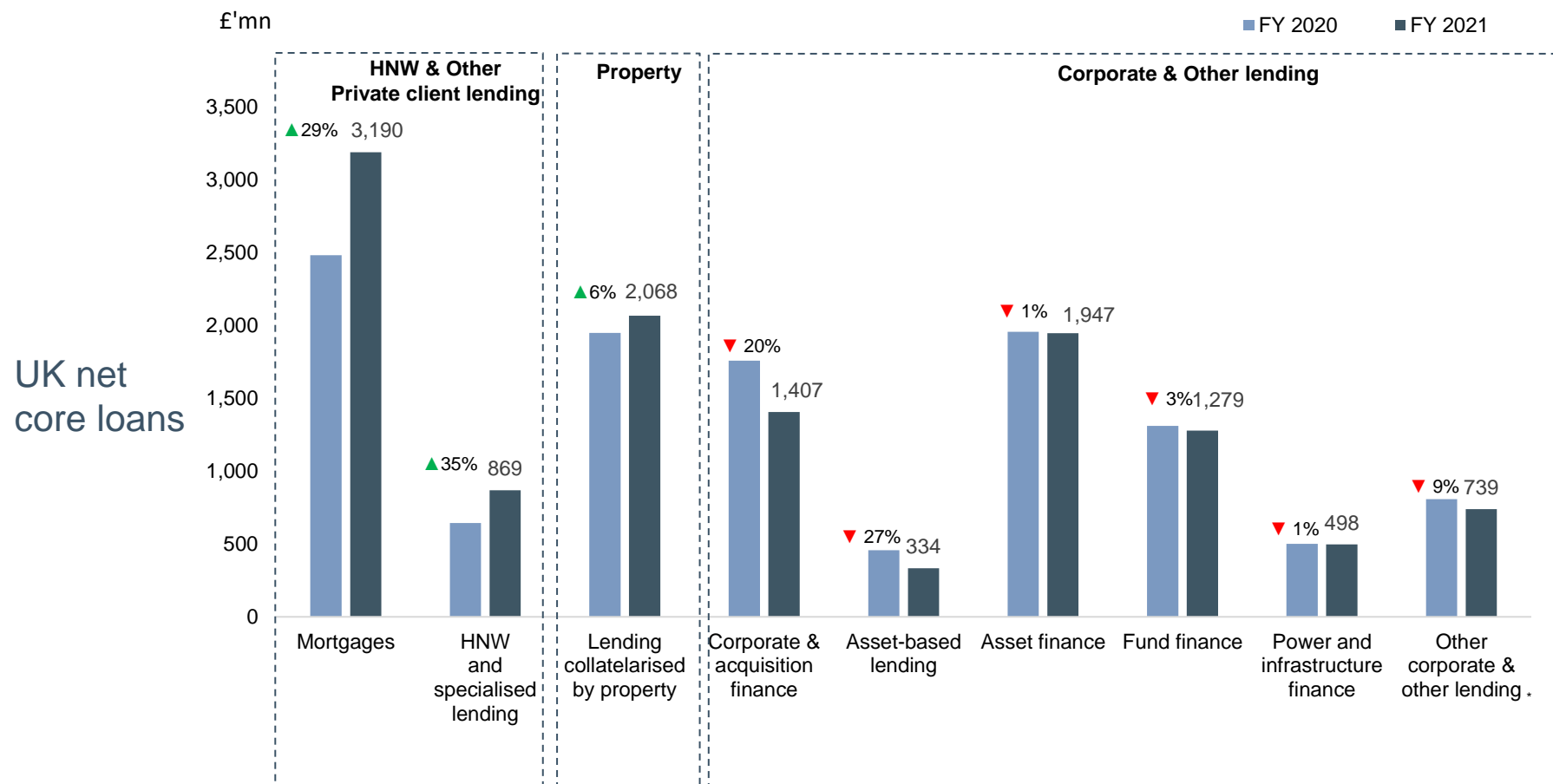
SA net core loans reduced 0.6%, driven by:

- Growth in HNW and Other private client lending
- Offset by the reduction in corporate lending due to higher repayments and lower activity levels, particularly in the first half

Note: Other corporate & other lending includes Other corporates and financial institutions and governments and Resource finance.

Strong growth in loan book

Our HNW mortgage proposition growth momentum remains strong



UK net core loans up 3.9%, or 8.7% excluding Australia

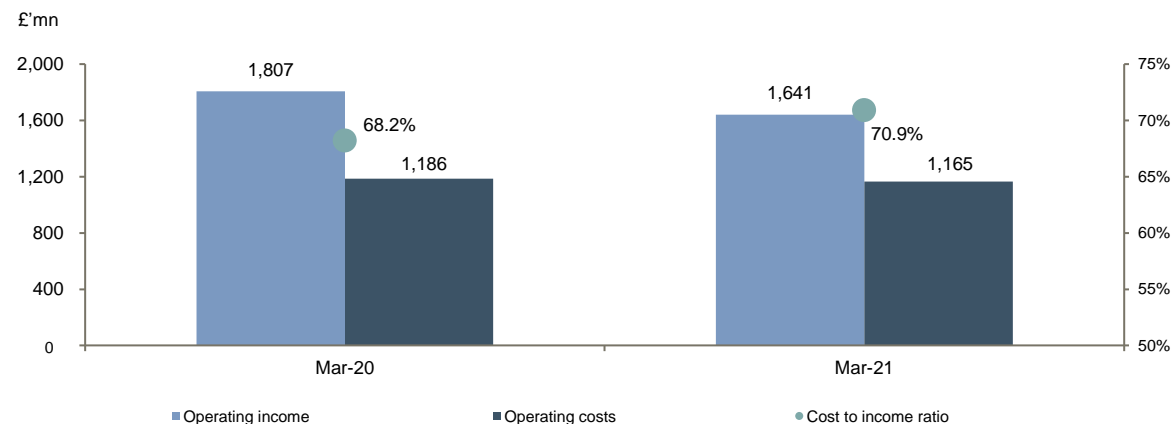
- Prior year base included the disposed Australian book post the exit from that country
- Strong growth in High net worth and other private client lending
- Stable corporate lending as lower activity levels in the first half weighed on the full year results, the book grew in the second half

*Other corporate & other lending includes Other corporates and financial institutions and governments and Resource finance.

Operating cost analysis

Fixed operating costs contained; incurred once-off costs on execution of group priorities of simplification and focus

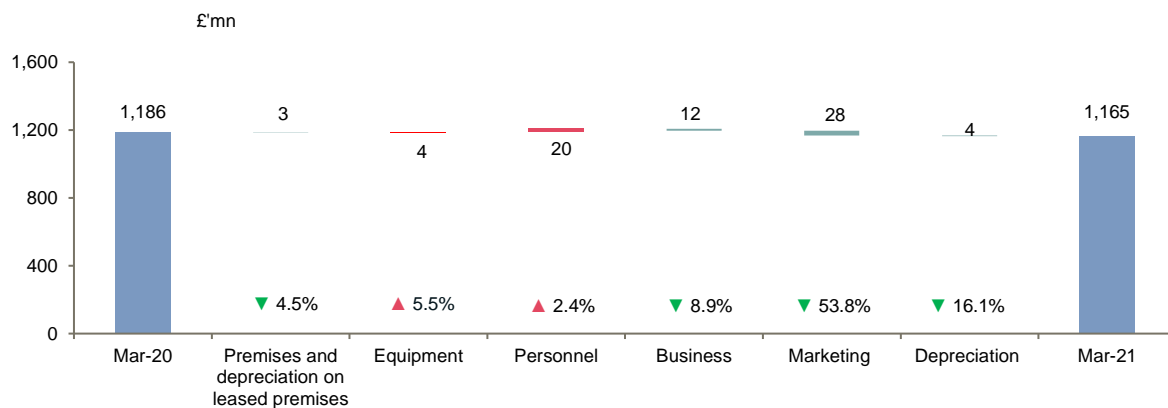
Cost to income



Cost to income ratio of 70.9% (2020: 68.2%)

- Operating income reduced 9.2% (4.4% in neutral currency)
- Operating costs reduced 1.8% (increased by 2.4% in neutral currency)

Cost

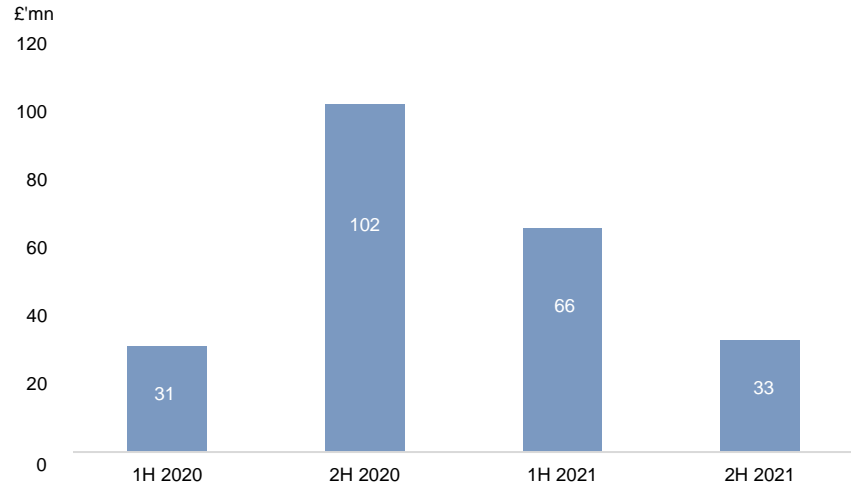


Costs reduced 1.8%

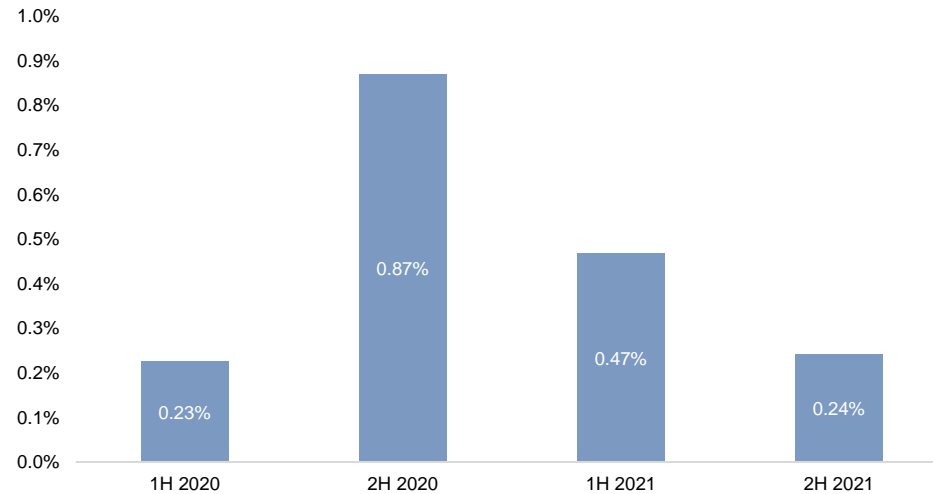
- Fixed operating costs down 6.6%, cost containment across the group
- Incurred £26 million restructuring costs

ECL impairment charges & CLR reduced year on year

ECL Charges



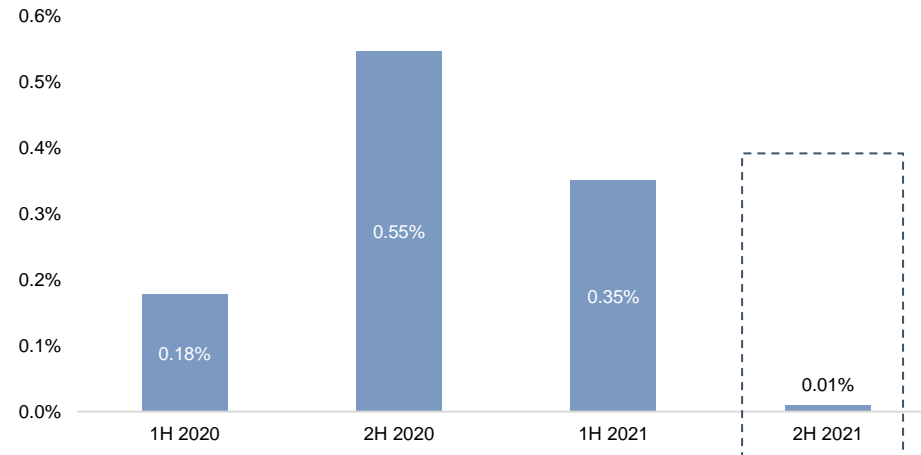
Credit loss ratio



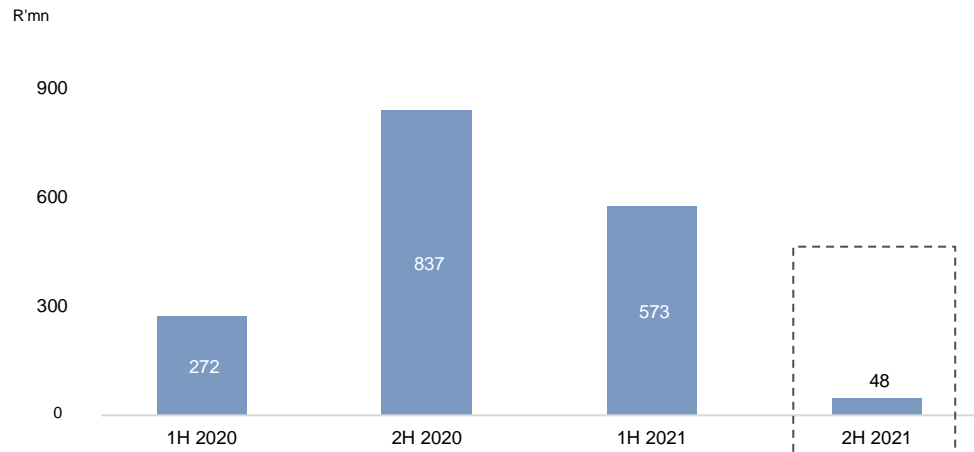
- ECL impairment charges down 25.4% to £99.4mn (2020: £133.3mn)
- CLR reduced to 0.35% from 0.52% for FY2020
- Driven primarily by robust credit quality and higher recoveries in South Africa.

Unpacking the credit loss ratio - SA

Investec
Ltd credit
loss ratio



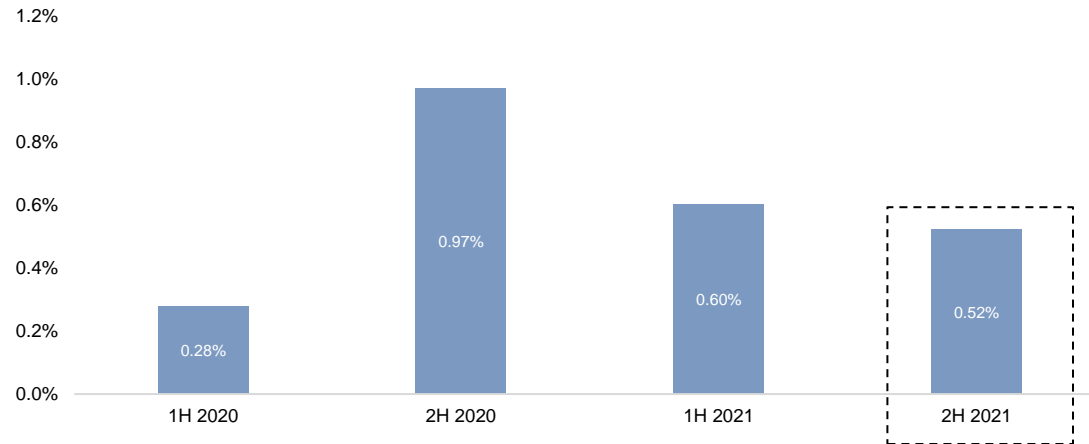
Investec
Ltd ECL



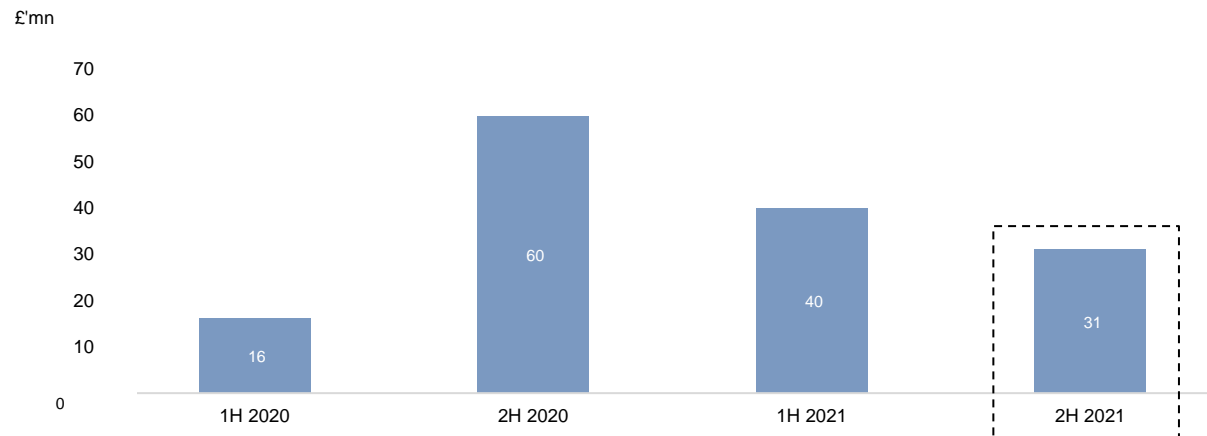
- FY2021 CLR reduced to 0.18% from 0.36% for FY2020
- Total FY2021 ECL charge of R621mn, down 44% from R1.1bn in FY2020
- Driven by stable portfolio impairments due to broadly flat lending books and higher recoveries

Unpacking the credit loss ratio - UK

Investec plc
credit loss
ratio



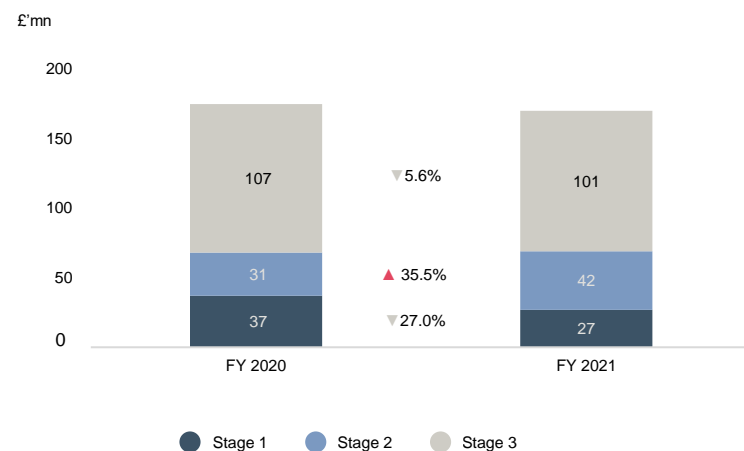
Investec plc
ECL charge



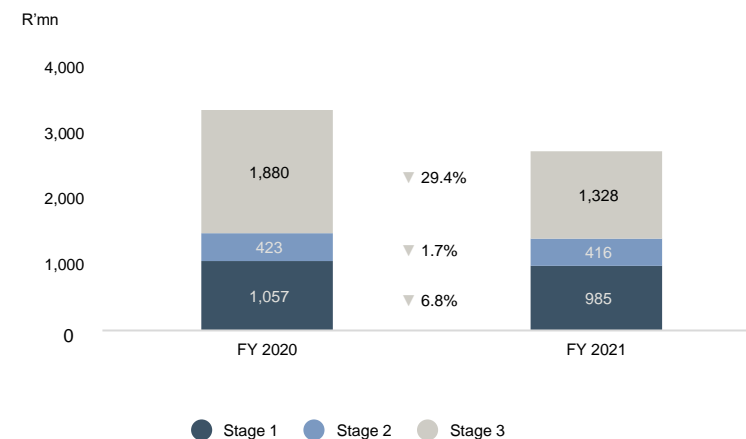
- CLR reduced to 0.56% for FY2021 from 0.69% for FY2020
- Total ECL charges for FY2021 of £71mn, down 6.1% from £76mn in FY2020
- Mainly driven by lower Stage 3 ECL impairment charge in FY2021

Balance sheet provisions

Investec plc balance sheet ECL provision



Investec Ltd balance sheet ECL provision



Investec plc ECL coverage ratio %

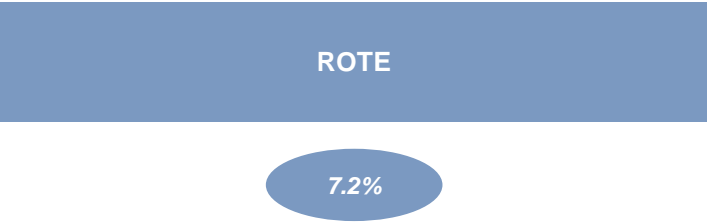
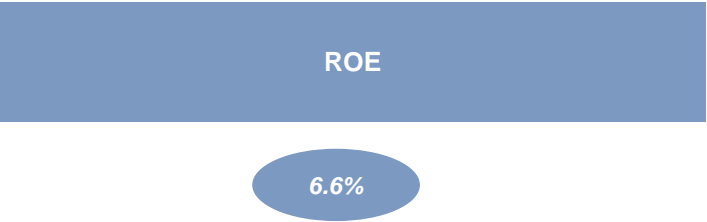
	FY 2020	FY 2021
Stage 1	0.4%	0.3%
Stage 2	5.4%	3.4%
Stage 3	28.2%	30.4%
of which Ongoing Stage 3	24.9%	26.8%

Investec Ltd ECL coverage ratio %

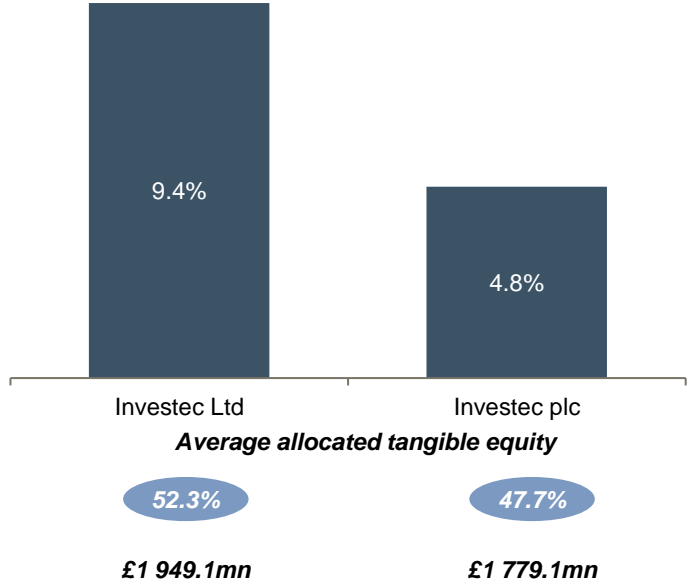
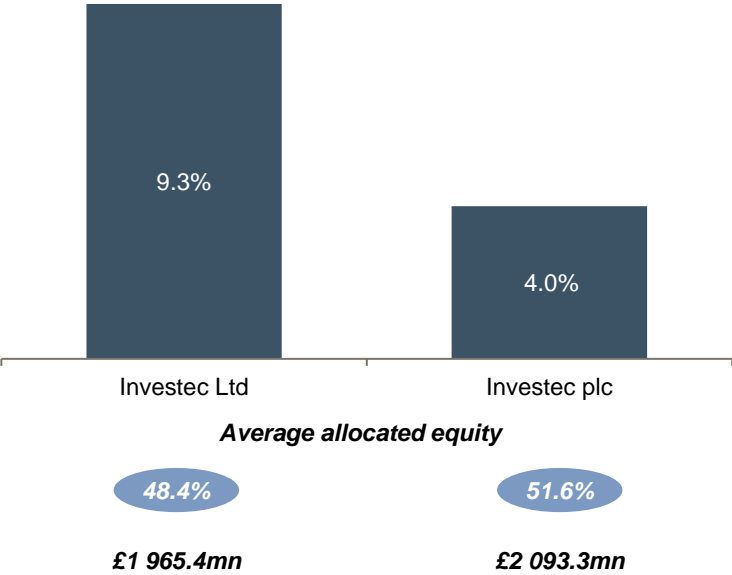
	FY 2020	FY 2021
Stage 1	0.4%	0.4%
Stage 2	2.8%	2.8%
Stage 3	42.2%	17.9%

ROE and ROTE

Group

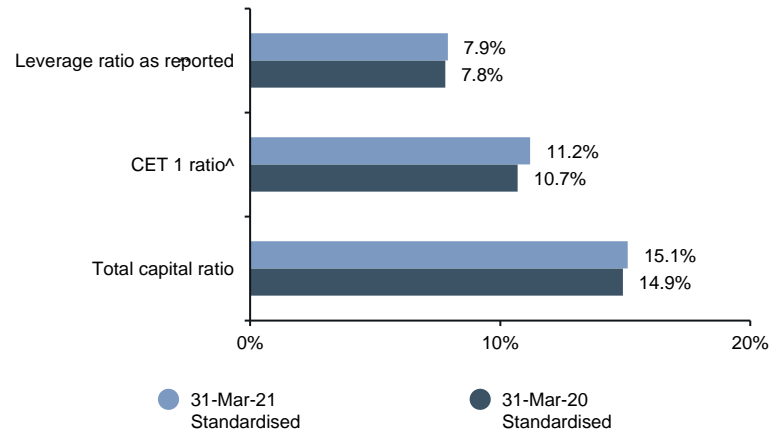


Geographic



Robust capital and liquidity position

Investec plc Capital Ratios



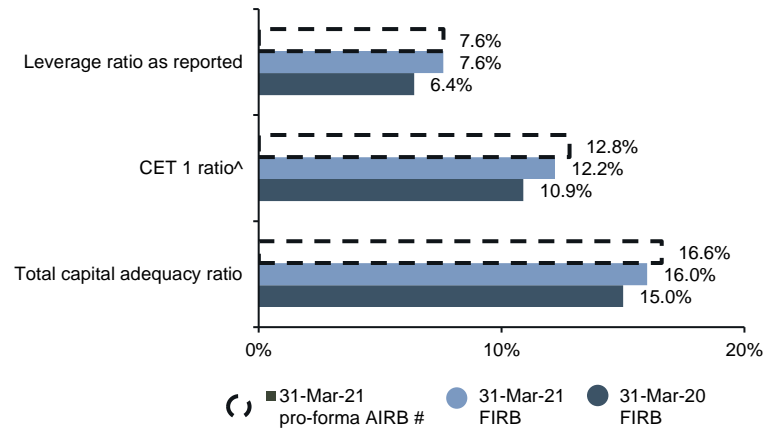
Capital summary

- CET 1 ratio above 10% target, total capital ratios within target range of 14%-17%
- Leverage ratios above group target of 6%
- Investec Limited obtained approval to adopt AIRB approach for the SME and corporate models effective 1 April 2021

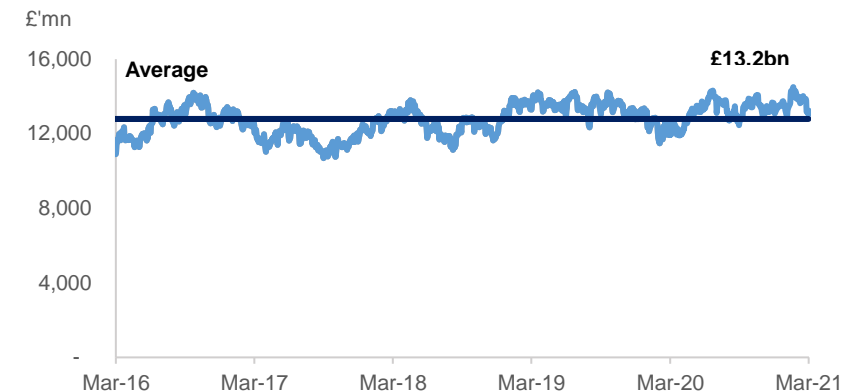
Liquidity summary

- High level of readily available, highly liquid assets
- Loans to customers as % of customer deposits of 75.6% (Mar-20: 76.3%)

Investec Ltd Capital Ratios



Group Cash and Near Cash



Refer to the group's March 2021 results booklet for further detail on capital adequacy and leverage ratios. ** Investec plc is not subject to the UK leverage ratio framework, however for comparative purposes the leverage ratio under this framework would be 9.2% (31 March 2020: 8.9%), ^Common Equity Tier 1. *Where AIRB is Advanced Internal Ratings-Based approach. # Pro-forma ratios at 31 March 2021 based on Advanced Internal Ratings-Based approach.

Financial outlook

- **NEAR-TERM OUTLOOK IS DEPENDENT ON PROGRESS IN CONTAINING COVID-19 AND THE EXTENT OF ECONOMIC RECOVERY IN THE UK AND SOUTH AFRICA**
 - Vaccine roll-out is encouraging in the UK and other developed economies
 - South Africa remains vulnerable to the third wave given the slow progress in vaccine roll-out
- **EARNINGS MOMENTUM EXPERIENCED IN 2H2021 IS EXPECTED TO CONTINUE**
 - The group expects to report adjusted earnings per share of 36p to 41p (FY2021: 28.9p)
- **GROUP REMAINS COMMITTED TO ACHIEVING 12% TO 16% ROE IN THE MEDIUM TERM**
 - Investec Limited: 15% to 18% and Investec plc: 11% to 15%

Agenda

01

Overview – Fani Titi, Chief Executive

02

Financial Review – Nishlan Samujh,
Group Finance Director

03

Group strategic update – Fani Titi

04

Closing and Q&A – Fani Titi

Group Strategy Update



40 years of heritage.
Two core geographies.
One Investec.

Whether you are an individual, a business, or an intermediary acting for clients, our aim is to create and manage your wealth and fuel your business growth.

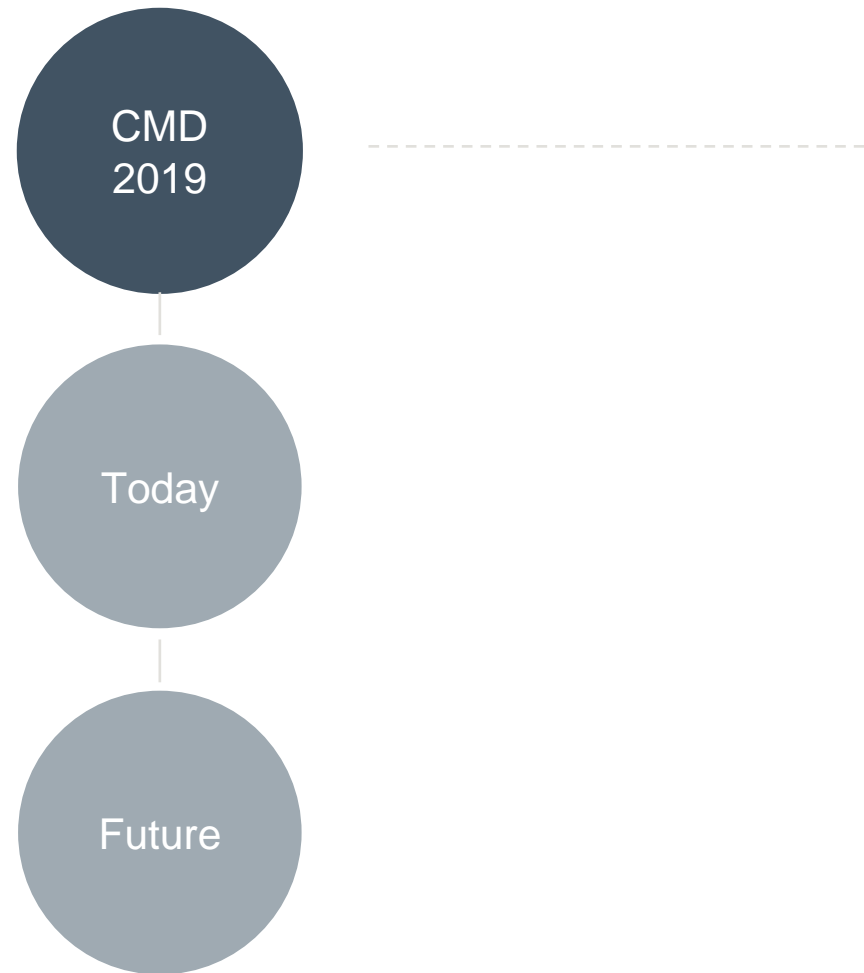


Good progress made on strategy execution

1. Disciplined execution of strategy to simplify, focus and grow the business
2. A domestically relevant and internationally connected banking and wealth group
3. Clear progress made against stated objectives with a clear path to performance improvement
4. Committed to medium term targets

Where we were two years ago

Looking back at the focus of CMD 2019



Key areas of focus

1. Under-appreciated businesses within the complexity of the Group structure
2. Capital allocation and capital generation to support growth
3. Expensive operating cost base
4. Drive inter-connectedness of the business units across the Group

Journey to simplify, focus and grow the business

At tail-end of simplifying and focusing the business – substantially complete by FY2021



- Demerged Investec Asset management (now separately listed as Ninety One)
- Exited business which were subscale, non-core businesses or fall outside of refined risk appetite



- Refreshed purpose statement
- Driving connected eco-system and improved operational leverage through One Investec
- UK Bank refocused on core domestic market with a rightsized cost base



- Heightened focus on growth and competitive positioning in our chosen markets, underpinned by a disciplined approach to capital allocation and risk management

Costs

A distinctive banking and wealth management business

We are not all things to all people; we serve select niches where we can compete effectively.

Our distinction lies in our ability to be nimble, flexible and innovative, delivering a client-centric, high-tech, high-touch service



Corporate / Institutional / Government / Intermediary



Private Clients (HNW / High Income) / Charities / Trusts



Specialist Banking



Wealth & Investment

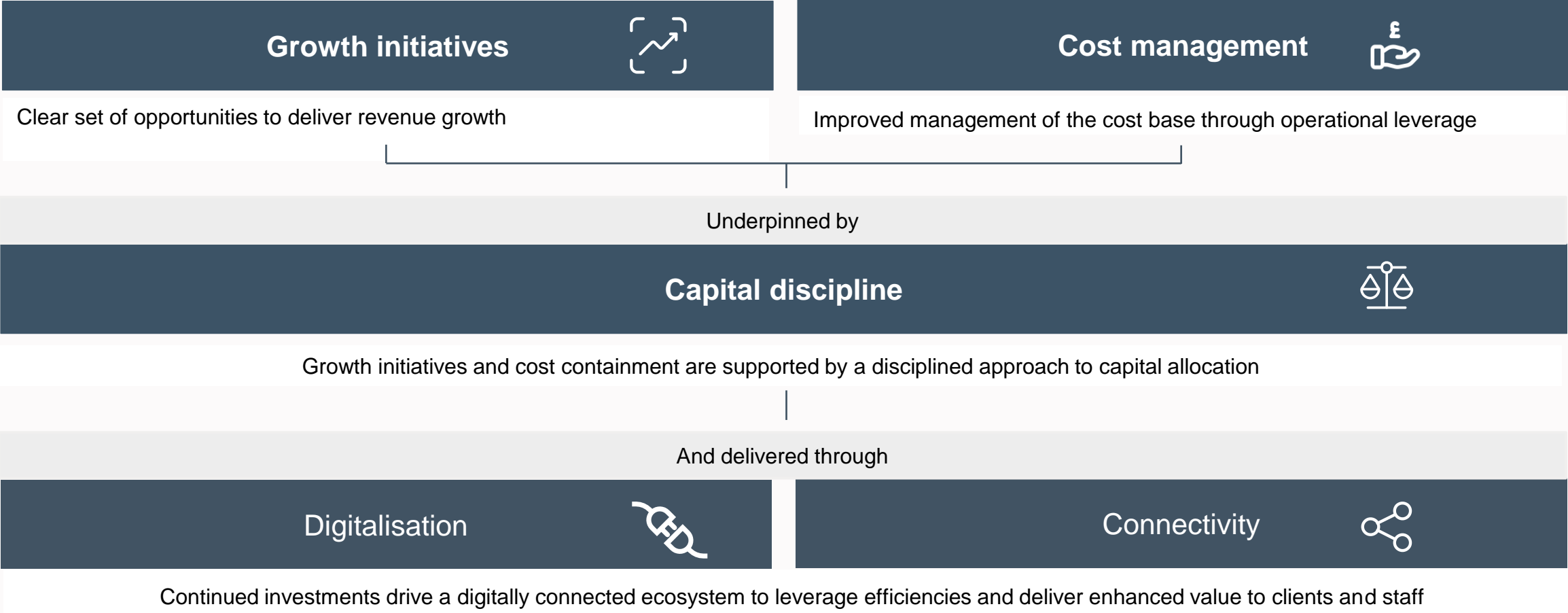
We have market-leading client franchises

We provide a high level of client service enabled by leading digital platforms

We are a people business backed by our out of the ordinary culture, entrepreneurial spirit and freedom to operate

Identified initiatives to improve business performance

Deliver a domestically relevant, internationally connected banking and wealth & investment group



Unpacking historical performance as we look forward

We are in a position of strength as we emerge from COVID-19 pandemic

£'mn	FY 2019	FY2020	FY 2021	Early Guidance FY 2022
Adjusted EPS - pence per share	48.7	33.9	28.9	36 to 41
Total costs	1 277	1 186	1 165	
ECL impairment charge	66	133	99	
WANOS* - millions	942.2	945.8	929.1	
Equity	3 918	3 862	4 255	
Required Equity in Group Investment	340	389	538	
ROE - %	12.0	8.3	6.6	
CET 1 - %				
Investec Limited - FIRB	11.6	10.9	12.2	
Investec plc - Standardised	10.8	10.7	11.2	



FY2021 and guided FY2022 adjusted EPS indicate a strong recovery in performance



Costs have been well contained



Impairments provisions have increased due to COVID-19, with strong book quality



WANOS stable and reducing



Good capital generation with potential excess capital

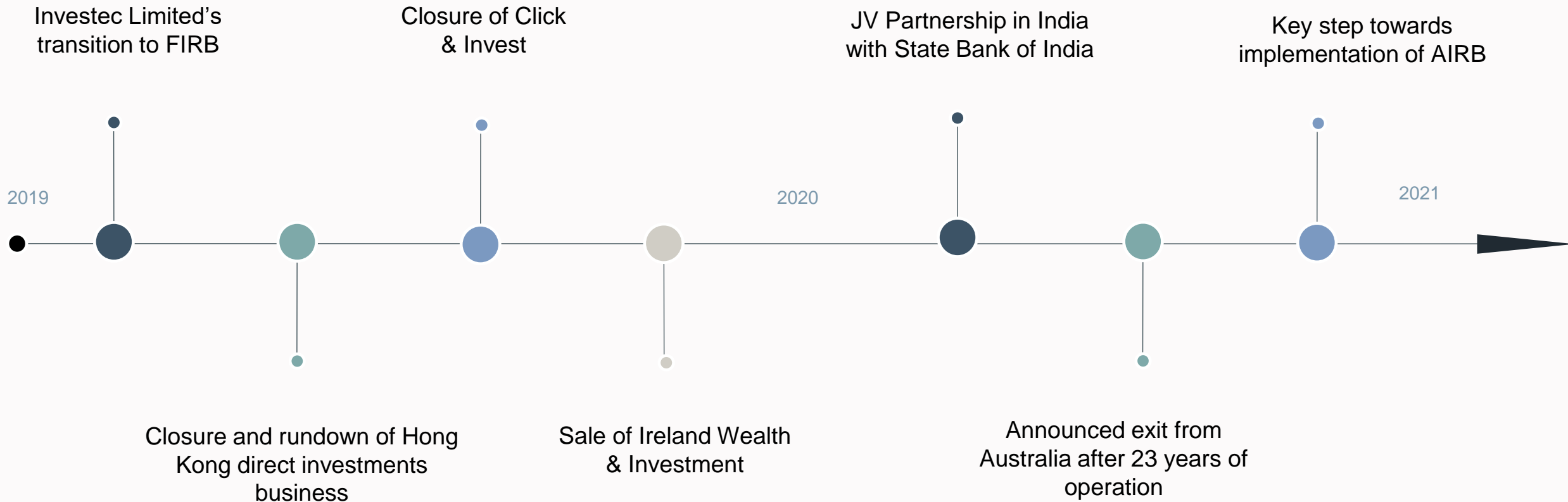
*Approval from Prudential Authority in South Africa to measure SME and Corporate under Advanced Internal Ratings –Based (AIRB) approach from 1 April 2021, engaged on further AIRB conversion that is expected to result in 100bps to 150bps CET 1 uplift. ** WANOS is weighted average number of shares.

Capital discipline

- Exited non-core and sub scale businesses to focus and invest in core client franchises and geographies
- Reduction of SA investment portfolio
- Group Investments pillar has an average required capital of £463mn with a market value of £1bn as at 18 May 2021
- Refined risk appetite to protect balance sheet
 - We have a diversified loan book and avoid outsized exposures
- Transition to adopt full AIRB
 - Received approval to adopt AIRB approach for the SME and Corporate models effective 1 April 2021, resulting in 60bps capital uplift
 - Remaining portfolio is expected to result in 100bps to 150bps capital uplift

Capital discipline

Execution since 2019 CMD



Capital discipline (continued)

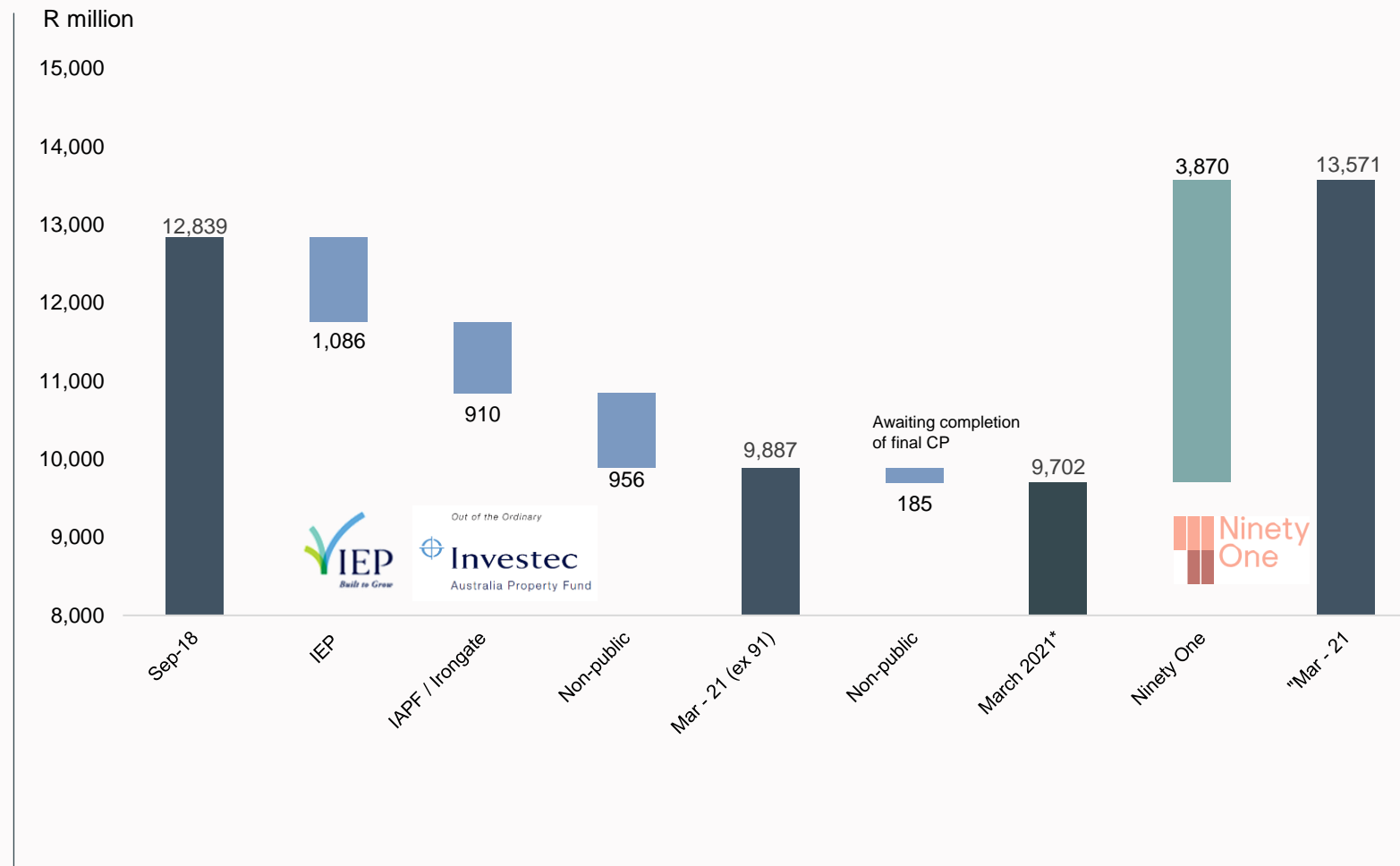
South African operations anticipated to have surplus capital in the medium term

Group Investment pillar since CMD

- Cumulative reduction of c.R3bn
- Market conditions are improving to realise some of the investments in our portfolio
- Includes the group's shares held in Ninety One Limited since the demerger
- Three investments, including IEP and IPF comprise over 90% of Group Investments excluding Ninety One

Transition to AIRB

- Investec Limited's application to adopt AIRB approved for SME and Corporate portfolios effective 1 April 2021
- Full implementation is expected to result in R3-4bn reduction in required capital



Growth philosophy

Clear set of scalable opportunities to deliver revenue growth

Grow with discipline (stay inside tramlines and risk appetite)

Focused on increasing proportion of revenue from capital-light business

Future technology spend to be weighted towards growth



Organic growth



Leveraging client ecosystem



Strategic partnerships



Bolt-on inorganic opportunities

Underpinned by our digital and technological capability

c.£273mn

Total revenue from new growth initiatives
For FY2020 and FY2021

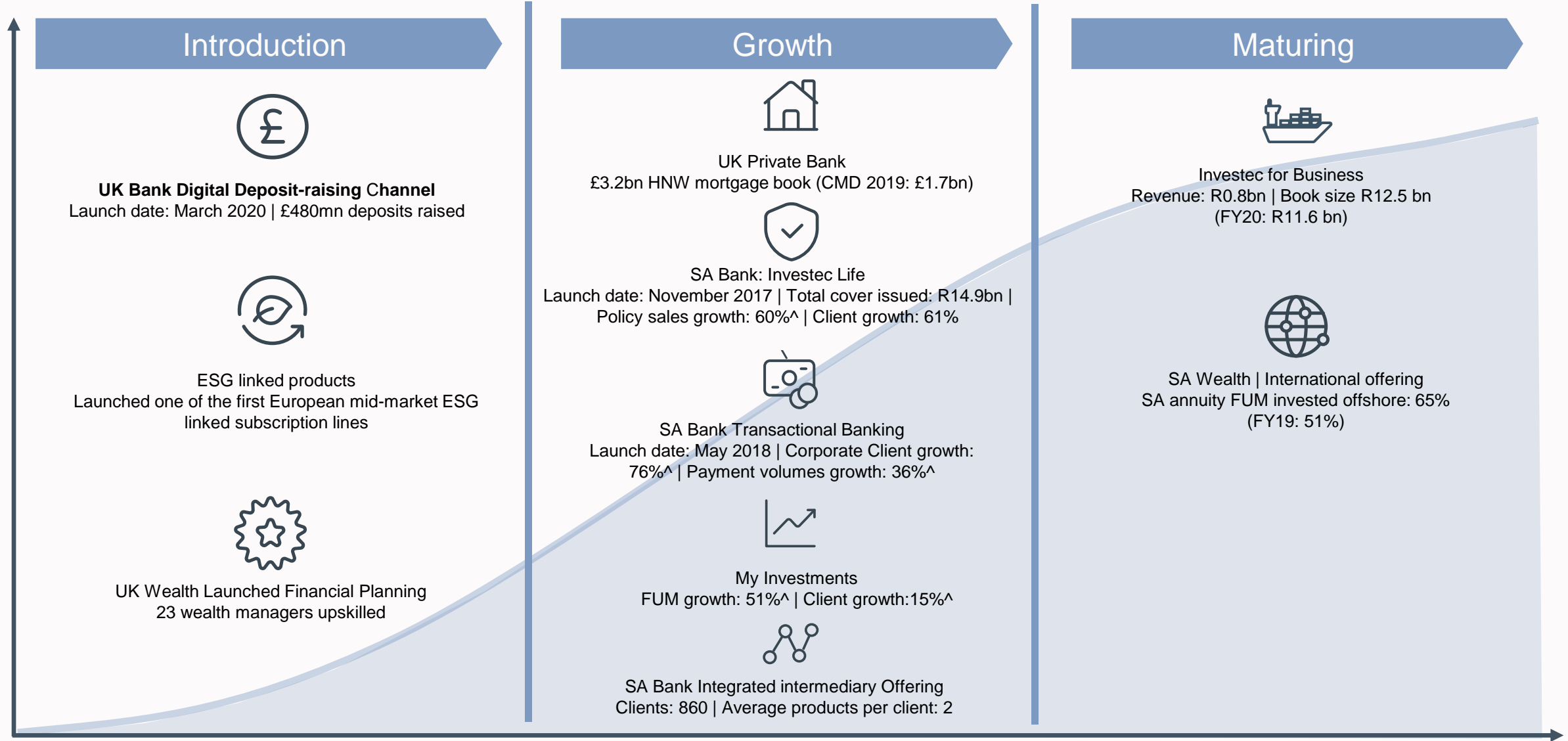
c.R4,2bn

SA revenue generated

c.£62mn

UK revenue generated

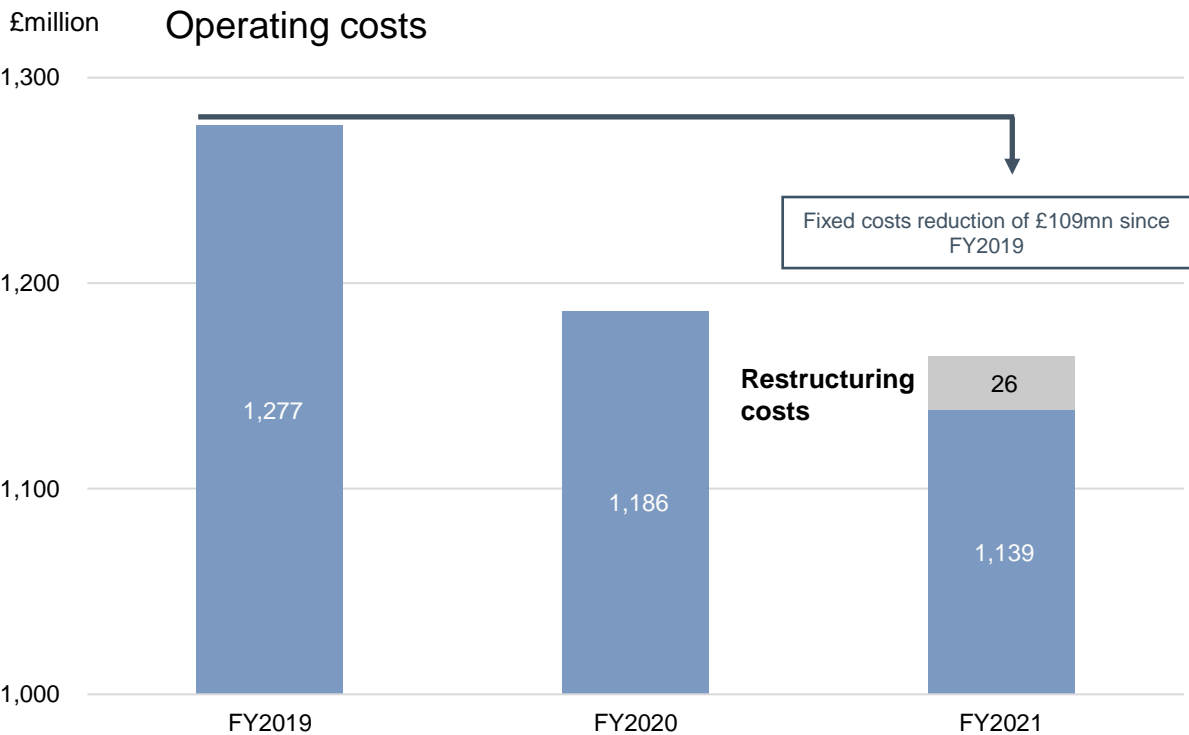
Growth initiatives remain on track



Note 1: Data points as at 31 March 2021 ^FY20 to FY21

Cost discipline

Operating costs from underlying businesses have been well managed



Group target cost to income ratio

<63%

Key Highlights

- UK Specialist Bank fixed operating costs have reduced by c.£56 million since FY2019
 - Reduced headcount by 194
- Group costs have reduced by 28% since FY2019 and are expected to remain stable in the foreseeable future
- South African fixed cost base well contained, growing below inflation
- Strategic actions taken are expected to result in future benefits
- Operating leverage from One Investec

Cost management | Operational leverage

Creating and connecting common platforms

Three-pronged operational leverage strategy



01. Effectively utilise common platforms (people, process & technology) across the group



02. Leverage low-cost jurisdictions



03. Upgrade legacy platforms

Fully operational global platforms



Loan administration, billing, communications, reporting



Behavioural algorithm monitoring; fraud queries and investigations



Single human capital platform



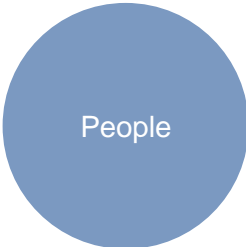
97% of transactions auto-matched
20 to 25 million transactions / month



Award winning client service & sales



A single finance ledger globally



Ring-fenced teams in SA supporting the UK business

Potential for further synergies and driving scale

Connectivity | Client ecosystem

Servicing clients across businesses, locally and abroad

CROSS-BORDER

51%[#] ↗ **65%**
of IWI SA annuity FUM invested offshore with an average yield of 71bps

33%
growth in PB SA clients with UK Bank transactional accounts⁺

2.4[#] ↗ **3.0**
average number of UK Bank products used by SA HNW clients

83%[#] ↗ **96%**
of SA HNW clients have savings products with UK Bank

at CMD 2019
+ since CMD 2019
^ FY20: 77%

CROSS-BUSINESS

42%[#] ↗ **64%**
of IWI SA's top clients with PB SA product(s)

20%[#] ↗ **25%**
of PB SA's clients with IWI SA accounts

75%
of referrals from IWI UK to UK Bank were converted[^]

17%
of UK Bank clients with IWI UK account

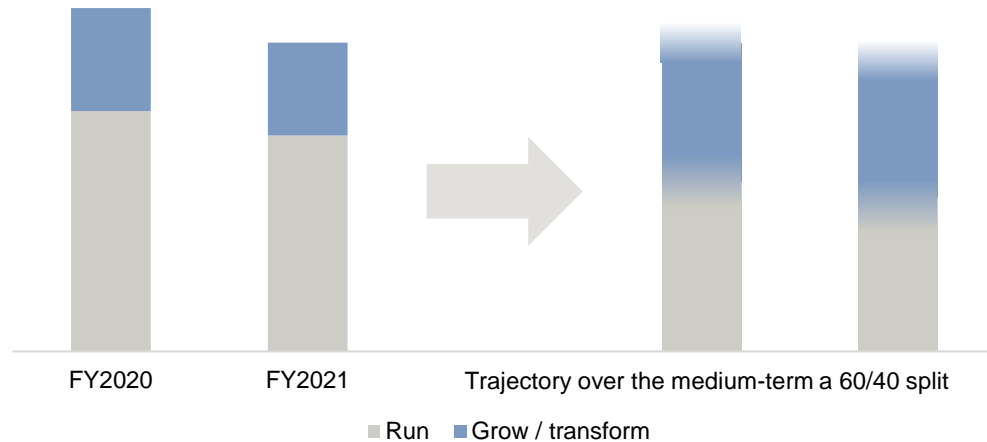
Digitalisation

Transformation of Investec through the digitalisation of our DNA

Investment spend of £203m at Mar'21 (Mar'20: £229m)

We have carefully managed our costs over the past three years. Most recently the investment run costs in our technology has remained stable and we have reduced costs through the UK bank restructuring and leveraging our platforms and geographical footprint. With the move to the cloud we are now pivoting investment to growth-oriented activities.

Technology investment



Our strategy centres on driving both an optimization and transformation of our existing businesses, whilst ensuring we maintain the strong client focus for which we are renowned for.

FOR OUR CLIENTS

01. Digitising our client journeys end to end, to deliver integrated experiences and frictionless access to products and services through Investec's suite of Apps, web platforms and Open API's

FOR OUR COLLEAGUES

02. Delivering a digital workplace that empowers our people to serve our clients anywhere, with remote working tools and collaboration capabilities to keep Investec connected

MODERNISING OUR TECHNOLOGY

03. Modernisation of our businesses making key targeted investments in our platforms leveraging new technologies such as AI, Cloud, Platform modernisation, API's

CHANGE HOW WE WORK

04. Embedding engineering practices into the way we work to improve our pace and efficiency of operation in the digital era

INNOVATION AND NEW VENTURES

05. Leverage and grow the Investec global partner and investment ecosystem to drive innovation

Paved runway to pursue our growth ambitions

- DEALT WITH ISSUES THAT HAVE CONSTRAINED THE BUSINESS

Exited business which were subscale, non-core businesses or fall outside of refined risk appetite

- RIGHTSIZED THE COST STRUCTURE OF THE BUSINESS

Costs well contained, sustainable operating platform

- IMPROVED CAPITAL ALLOCATION

Anticipate excess capital

- WELL POSITIONED TO PURSUE OUR SELECT GROWTH INITIATIVES



WE HAVE A FOCUSED BUSINESS THAT HAS SCALE AND RELEVANCE IN SELECTED GEOGRAPHIES AND BUSINESSES

Committed to medium-term targets

Moving to Regional targets

CMD targets

Medium term FY2022 targets (3 years)	UK	South Africa	Group
ROE	11% to 15% Bank: 10% to 13%	15% to 18% Bank: 14% to 16%	12% to 16%
Cost to Income	Bank: <65% Wealth: 73% to 77%	Bank: 49% to 52% Wealth: <70%	<63%
CET1	>10%	>10%	-
Dividend payout ratio	-	-	30% to 50%



Medium-term targets

Long-term value outcomes	UK	South Africa	Group
ROE	11% to 15 %	15% to 18%	12% to 16%
Cost to Income	<67%	50% to 55%	<63%
CET1	>10%	>10%	-
Dividend payout ratio	-	-	30% to 50%

Conclusion

- WE HAVE A 40 YEAR HERITAGE IN PRIVATE BANKING, CORPORATE AND INVESTMENT BANKING AND WEALTH MANAGEMENT
- WE ARE DEDICATED TO OUR PURPOSE OF CREATING ENDURING WORTH - LIVING IN, NOT OFF, SOCIETY
- STRONG CULTURE OF ENTREPRENEURSHIP
- OUR PEOPLE ARE MOTIVATED, TALENTED AND EMPOWERED
- OUR CLIENTS ARE AT THE CENTER OF EVERYTHING WE DO

WE ARE EXCITED TO PURSUE A CLEAR GROWTH OPPORTUNITY IN THE MARKET

Thank you



Appendix



Macroeconomic scenarios – 31 March 2021

UK

Financial year ending (%)	Base case					Average 2021-2026			
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Upside	Base case	Downside 1 L-shape	Downside 2 No-FTA Brexit
GDP growth	12.2	3.5	1.9	1.6	1.6	5.4	4.2	1.3	0.9
Unemployment rate	6.1	4.8	4.2	4.2	4.2	4.3	4.7	6.9	7.8
House price growth	1.9	0.8	1.2	2.0	2.3	3.7	1.6	0.7	(0.9)
Bank of England – Bank rate	0.1	0.1	0.5	1.0	1.5	1.0	0.6	(0.4)	(0.7)
Scenario weightings	55					10	55	30	5

South
Africa

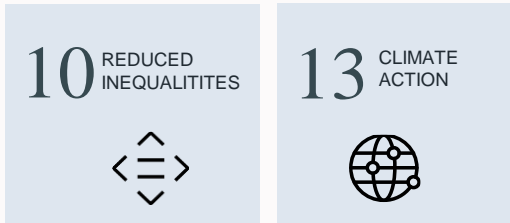
Financial year ending (%)	Base case					Average 2021-2026				
	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	Extreme up case	Up case	Base case	Lite down case	Severe down case
GDP growth	4.5	1.1	2.4	2.4	2.9	5.0	4.0	2.4	1.5	(0.7)
Repo rate	3.6	4.5	5.0	5.1	5.4	3.5	3.8	4.7	5.0	5.5
Bond yield	10.3	10.3	10.3	10.7	10.7	9.2	9.5	10.4	11.1	11.9
Residential property price growth	4.6	5.1	5.3	5.5	5.9	6.9	6.2	5.2	4.1	2.7
Commercial property price growth	(1.4)	0.5	0.9	1.3	1.7	3.2	1.7	0.2	(1.3)	(2.9)
Scenario weightings	48					1	2	48	44	5

Living our purpose: to create enduring worth, living in, not off, society

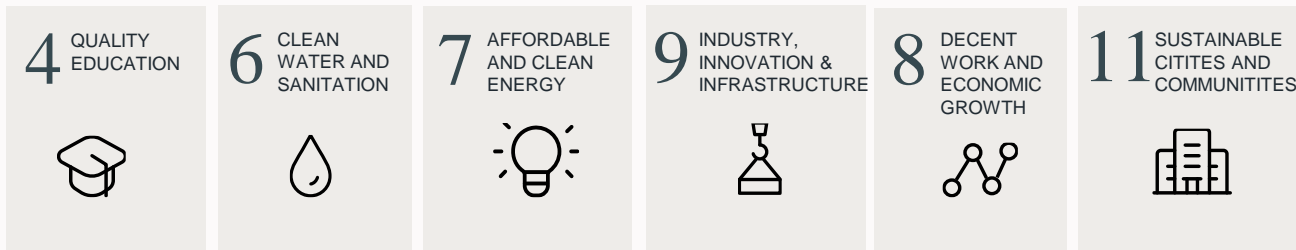
Investec's sustainability principles:

- Creating long-term value for all our stakeholders
- Do no harm: ethical conduct and ESG screening
- Committed to a clean carbon transition
- Providing profitable, impactful and sustainable products and services
- Maximising impact: through a focus on the Sustainable Development Goals (SDGs)

Two core SDG priorities



Secondary SDG priorities



Refer to our website for more information on Sustainability and ESG at Investec

Well positioned in ESG rankings and ratings



Top 15% in the global diversified financial services sector (inclusion since 2006)



Top 30 in the FTSE/JSE Responsible Investment Index



Top 20% of globally assessed companies in the Global Sustainability Leaders Index



Top 2% scoring AAA in the financial services sector by MSCI ESG Research

Score B against an industry average of C (formerly Carbon Disclosure Project)



Top 20% of the ISS ESG global universe and Top 14% of diversified financial services



Included in the FTSE UK 100 ESG Select Index (out of 641 companies)



1 of 43 banks and financial services in the Global ESG Leaders Index (total of 439 components)



1 of 5 finalists for the ESG Sustainability Professional Award

Focused on addressing climate change and inequality

Action taken in the past year

ENVIRONMENT

Took action to **address climate** issues

- Achieved **net-zero direct emissions** for the second year as part of our commitment to ongoing carbon neutrality in our Scope 1 and Scope 2 emissions.
- Received **shareholder support** for climate commitments and published our first TCFD standalone report

SOCIAL

Continued to make progress on diversity and equality

- Improved our gender diversity performance at **senior leadership level**
- Maintained our **Level 1** rating under the Financial Sector Code in South Africa and signed up to the **UK Race at Work Charter**
- Contributed £2.0mn in COVID-19 relief to communities

GOVERNANCE

Strengthened our sustainability governance

- Established an **ESG Executive Committee** to align sustainability activities across the organisation
- Implemented a more **robust ESG screening** process
- Created a framework to link **Executive Directors remuneration** to ESG KPIs

STRATEGY

Embedded sustainability into business strategy

- Launched several **sustainability products and services** including the first European mid-market ESG-linked subscription lines, the UK's first retail ESG-linked Deposit Plan and Investec Wealth & Investment's launch of a Global Sustainability Equity Fund
- Created a **Sustainable Finance Framework**

COMMITMENT

Deepened our commitment by signing up to several international memberships

- UN Environment Programme Finance Initiative (**UNEP FI**)
- UN Principles for Responsible Banking (**UN PRB**)
- UN Principles for Responsible Investment (**UN PRI**)

Digitalisation

01

FOR OUR CLIENTS

- Distinctive client digital experience for our Private Clients, Private Companies and Businesses, Intermediary clients, and Listed Companies
- In 2020 overall client logins increased by 30% during the year (app logins specifically increased 55%)
- 24-hour client support through CSC with 1.4m total client call interactions across 421k distinct callers in 2020

02

FOR OUR COLLEAGUES

- Our ability to transform to work-from-home business overnight is testament to the strength of our cyber security and information security
- ~84% of our staff using at least two digital modes to communicate (peer benchmark is 40%)

03

MODERNISING OUR TECHNOLOGY

- We have automated our business processes saving in excess of 10 000 hours
- Processing 2x more applications per day in one product using 15x fewer people
- ~60% cost-saving in the UK from switching to a cloud-based backup system
- Transitioned from legacy stack to cloud-based savings stack saving c. 80% in costs

04

CHANGE HOW WE WORK

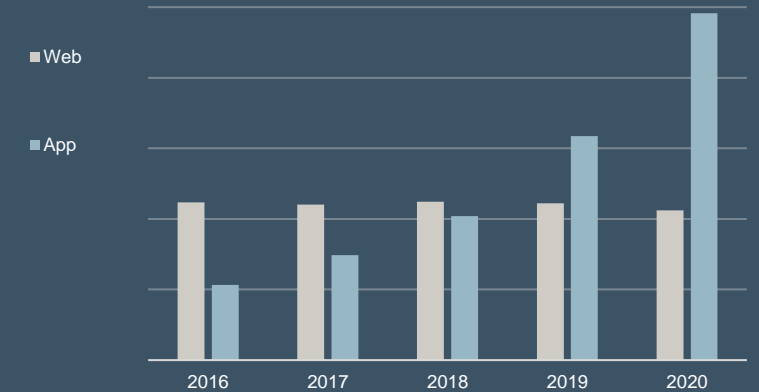
- £25m cost reduction through leveraging platforms, location strategy and restructuring in line with our One Investec approach
- Incorporation of agile and digital product management approach into our delivery

05

INNOVATION AND NEW VENTURES

- There is a increase in investment and focus on new ventures through various strategic partnerships
- Partnership with Offerzen to build out Programmable Banking
- Piloting opportunities for unlocking value from our data, with investee firm Omniscient, through our partnership with CrossFin Ventures in South Africa
- Working with regulators in the IFWG Sandbox at the SARB to deliver a crypto asset vault
- Successfully executed composable banking pilot on a new, flexible technology stack for retail cash investments in UK alongside partners Mambu & Onfido
- Distributed our savings products to UK challenger bank Monzo, Moneybox, Revolut and Flagstone clients

Client engagement



Legacy on-premise savings stack,
90 people; 350 applications per day

Cloud-based savings stack;
6 people; 650 applications per day

IFRS runtime, on-premise
Current runtime 12+ hours

ODP tooling, Azure Cloud
POC runtime 20 minutes

OFFER ZEN

FLAGSTONE
THE SMARTER CASH PLATFORM

South African Reserve Bank

Outward
moneybox

monzo

OMNISIENT
MAMBU

onfido

Revolut

Thank you

